

Key Decision Report of the Director of Adult Social Care

Officer Key Decision	Date: 15 February 2022	Ward(s): All
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SUBJECT: Contract Award for Healthwatch service for Islington**1. Synopsis**

- 1.1 This report seeks approval to award a contract to Healthwatch Islington to provide a local Healthwatch service in Islington. It summarises the commissioning and procurement process for the service and outcome, including legal and financial implications.
- 1.2 The Health and Social Care Act 2012 places a statutory requirement for councils to commission a local Healthwatch service. Healthwatch acts as a consumer champion for users of health and social care services, for both children and adults. It makes sure that: people know where to go to raise concerns and obtain information about health and social care services; people's views and experiences are heard and acted upon, improving scrutiny of health and social care services; and enables local people to influence commissioning decisions and service design, development and improvement.

2. Recommendations

- 2.1 To award the contract Healthwatch service for Islington to Healthwatch Islington, for a period of 9 years (3 years with an option to extend for 3 years and an additional 3 years).

3. Date the decision is to be taken:

15 February 2022

4. Background

- 4.1 The Health and Social Care Act 2012 established Healthwatch as a new consumer champion for users of health and social care services. National guidance specifies the key functions that Healthwatch must deliver, but leaves the local specification up to local authorities to determine the best model to meet the needs of their local residents.

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, and are shaped by, local communities. It can also enter and view services such as care homes and hospitals to observe what is happening and report back to commissioners.

The current provider has provided the service since 1 April 2013 when the service started, under a grant funding arrangement. Thereafter, it has been re-procured twice by an open tender procedure in 2016, and 2018, the current contracts ends on 31 March 2022.

The procurement strategy was completed and approved 1 September 2021 to retender the service. The procurement was conducted in line with the Council's procurement rules and the Public Contracts Regulations 2015. The procurement was undertaken using a competitive tender under the Open Tender procedure.

The procurement will ensure a local Healthwatch service meets our statutory responsibilities, and fulfils the following functions:

- Provide information and advice to the public about accessing health and social care services and choice in relation to aspects of those services;
 - Make the views and experiences of people known to Healthwatch England helping it to carry out its role as national champion;
 - Make recommendations to Healthwatch England to advise the Care Quality Commission (CQC) to carry out special reviews or investigations into areas of concern or, if the circumstances justify it, go direct to the CQC with their recommendations, for example if urgent action were required by the CQC;
 - Promote and support the involvement of residents in the monitoring, commissioning and provision of local care services;
 - Obtain the views of residents about their needs for and experience of local health and care services and make those views known to those involved in the commissioning, provision and scrutiny of health and care services; and make reports and recommendations about how those services could or should be improved.
- 4.2 The contract will run for a period of 3 years from 1 April 2022 with the option to extend for 3 years and an additional 3 years, a potential total of 9 years.

4.3 Contract extensions will be based on performance against the outcomes/key performance indicators. The service provision will be monitored against a range of outcome-based indicators, which the provider will be expected to achieve.

4.4 The tender for this service was completed in November 2021 using the Open Procedure.

ITT submissions were received from two organisations by the closing date of 19 November 2021 at midday. One Organisation did not submit pricing schedule and therefore we were unable to include the organisation in the evaluation and second organisation, the current provider - Healthwatch Islington, went through to the evaluation stage.

4.5 The tender evaluation was based on the Most Economically Advantageous Tender (MEAT) on the basis of 10% cost and 90% quality. The table below provides a breakdown of the criteria and corresponding weightings:

Award criteria	Total
Cost	10%
Quality – made up of method statement questions:	90%
Proposed approached to Delivery of high quality service	30%
Proposed approached to Equalities	20%
Proposed approached to Partnership Working	20%
Proposed approached to Social Value	20%
Total	100%

4.6 The tender evaluation panel marked the tender pack and moderated their scores on 25 November.

Tenderers were required to achieve a minimum score of three (3) or above for each of their method statements to assess the quality criteria, in order to have the cost element of their tender evaluated. One organisation met or exceeded the minimum requirements for the method statement questions and had the cost element of their tender submissions evaluated.

The advertised budget was £1,404,900 for the life of the contract (3+3+3 years) the successful tender came in at £1,404,885. The annual value of this contract will be £156,098.33.

4.7 Commissioners are confident in awarding the contract to Healthwatch Islington, despite only one provider going through the second stage evaluation. This is a specialist area, hence a small market of potential providers.

The Evaluation was a robust process. The panel consisted of representatives from the Strategic Commissioning and Investment Team, Adult Social Care and an Expert by Experience. This was a diverse panel from a range of specialist areas, which offered different perspectives to the evaluation.

The successful organisation submitted a high quality tender return, scoring highly in all areas. The tender provides confidence in Healthwatch Islington's ability to deliver a high quality Healthwatch service, with commitment to innovate, collaborate with Islington

residents including seldom heard voices, and a commitment that they share with the council to creating a more equal Islington.

5. Implications

5.1 Financial implications:

The Healthwatch Service budget sits within the Adult Social Care Base Budget.

The total annual value of the Healthwatch contract to be awarded is £156,098. The current budget for this service is £156,100.

The expectation is that this tender will be met within this budget. If any additional pressures are incurred, management actions will need to be identified to cover this.

The value of this contract over the nine-year period will be £1,404,885.

Payment of London Living Wage is a requirement of the contract and should not result in any additional costs.

5.2 Legal Implications:

The council has a general power under section 111 of the Local Government Act 1972 to do anything that is calculated to facilitate, or is conducive or incidental to the discharge of any of its functions. It provides council's with a general power to enter into contracts for the discharge of any of their functions.

The Local Government Act 1999 requires the council to make arrangements to achieve Best Value in the exercise of its functions when considering a service provision, which includes the services detailed in the body of the report.

This decision paper seeks approval to award a 3 year contract with an option to extend for 3 years and an additional 3 years, totalling 9 years at a value of £1,404,885 to Healthwatch Islington.

The value of the services contract is £1,404,885 and subject to the light touch regime set out in Regulations 74 to 76 of the Public Contracts Regulations 2015 (as amended) (PCR). The threshold for the light touch regime is currently £663,540 therefore the value of the proposed contract is above threshold. Contracts that are over threshold need to be advertised on Find A Tender.

There are no prescribed procurement processes under the light touch regime, therefore the council may use its discretion as to how it conducts the procurement process provided that it complies with the retained EU principles of equal treatment, non-discrimination and fair competition. It is stated in the body of the report that the open Procedure was used. The proposed tender route detailed in the report appears to be compliant with the PCR.

The procurement must comply with the council's Procurement Rules. Procurement Rule, 1.7 band (iv) (b) requires "a formal tender process with a minimum of five (5) written competitive tenders". It also states that where " five (5) written competitive tenders are not available or

a lower number is desired, the commissioning client officer shall follow the advice of the Head of Service, Strategic Procurement and Supply Assurance (or their nominated representative)". Officers were not able to comply with competitive requirement of the procurement rules. The contract was awarded to Healthwatch Islington.

All Contracts with a value above £500,000 will need to be sealed. This should be carried out by Legal Services.

The decision maker can approve the recommendations provided they are satisfied with the contents of the report and the recommendations represents best value for the council.

5.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030:

Reported completed and signed off by energy services.

5.4 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A Resident Impact Assessment was completed on 10 May 2021. The main findings were:

Healthwatch has a reach that covers all residents that access health and social care services in Islington. This covers all genders, ages, disability status, sexual orientation, race and religion or belief. A Healthwatch service will benefit Islington's residents and will provide an independent voice for users of health and social care.

6. Reasons for the decision:

This report recommends awarding the contract for a Healthwatch service for Islington to Healthwatch Islington from 1 April 2022 for a period of 3 years with the option to extend to a total of nine years.

The commissioning of this service will allow Islington to comply with the duty under the Care Act 2014 to provide a local Healthwatch service.

7. Record of the decision:

7.1 I have today decided to take the decision set out in section 2 of this report for the reasons set out above.

Signed by:

Name: **Director Adult Social Care** Date:

Appendices

Appendix 1 Resident Impact Assessment (RIA)

Appendix 2 Bidders score breakdown (Exempt)

Background papers: None

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