

Director of Public Health	Ref No: OKD34 19/20
January 2020	Key Decision: Yes
Award of contract for the Commissioning of Local Healthwatch and Independent Complaints Advocacy Services in West Sussex	Part I
Report by Cameron Hill, Lead Commissioner	Electoral Division(s): All

Summary

The Council are to commission a Local Healthwatch service (LHW) and Independent Health Complaints Advocacy service (IHCAS) to meet its statutory obligations. Local Healthwatch are the Independent Consumer Champion for all West Sussex residents, recording and reviewing how they experience the quality of Health Care and of Social Care. LHW information and insight is then shared with the wider Health & Social Care system to raise service issues and influence future service commissioning. LHW provides information & advice to the public about accessing health & social care services and making choices in relation to those services.

Key Decision [AH9 19/20](#) approved the commencement of an open procurement for a Local Healthwatch and Independent Complaints Advocacy Service. A competitive procurement exercise was undertaken in accordance with the Public Contracts Regulation 2015.

West Sussex Plan: Policy Impact and Context

The service in West Sussex is an information & advice service with a clear brand identity supported by a national body, Healthwatch England. The service can be the first point of contact for people in crisis situations and works with other voluntary and statutory sector organisations that operate within county, district and borough and parish boundaries. Through its advice offer the LHW service contributes to the following key West Sussex Plan objectives:

- Best start in life
- A strong, safe and sustainable place
- Independence for later life
- A council that works for the community

The current service in West Sussex is delivered by a significant number of volunteers (33 in 2018/19) with volunteering opportunities across the county. The service in West Sussex also supports better partnership working between the voluntary and the statutory sectors including the County Council, for example in promoting place-based local service reviews and the development of future volunteering opportunities.

Financial Impact

The initial contract period will be for 5 years with the ability to extend for a further 2 years subject to a satisfactory review of performance of the service. The contract will be let at £315,889 and will have the option of annual inflationary uplifts at the Council's discretion and subject to the availability of funding.

Recommendation

The Director of Public Health is asked to approve the award of the contract for the Local Healthwatch and Independent Complaints Advocacy Service in West Sussex for an initial period of five (5) years commencing 1st April 2020. The contract includes the option to extend for up to two further years, if delivery and performance of the contract are satisfactory.

Proposal

1. Background and Context

- 1.1 The current contract covering this provision concludes on 31st March 2020. A new specification for Local Healthwatch and IHCAS was developed with stakeholders between July and October 2019.
- 1.2 A prior market consultation exercise took place during June 2019 to explore the requirements of the service with providers in the sector. A Prior Information Notice was issued in the Official Journal of the European Union (OJEU) on 6th June 2019 (ref 2019/S 108-263141) to advertise this engagement.
- 1.3 The Cabinet Member for Adults and Health approved the commencement of a procurement process, detailed within the Decision Report AH9 19/20 to recommission the service, for a new contract effective from 1st April 2020.
- 1.4 A Contract Notice was issued in the Official Journal of the European Union (OJEU) on 20th November 2019 (ref 2019/S 224-549757). Further promotion of the requirement was made through the West Sussex e-Sourcing Portal and Contracts Finder.
- 1.5 A total of 7 organisations expressed interest in the opportunity on the e-Sourcing Portal. Two tenders were received by the tender return due date of 19th December 2019 in accordance with the tender documents made available on the e-Sourcing Portal.
- 1.6 Capita Procurement Services undertook compliance checks on the tender submissions on the 19th December 2019 to ensure all schedules that were required were duly submitted and that the tenders were correct.
- 1.7 The tender evaluation criteria and evaluation model as detailed below, and was included in the tender documentation:

Element	Weighting (%)
Technical	60%
Commercial	40%
	100%

- 1.8 The quality element of the tender incorporated the use of minimum scoring to ensure that bidders achieved a minimum acceptable standard of service delivery. Further details of the tender evaluation can be found in the Background Paper, Tender Evaluation Summary.
- 1.9 The tenders were evaluated by the evaluation panel between the 19th December 2019 and 6th January 2020 and a moderation meeting was held on the 7th January 2020 to discuss and agree final scores. The evaluation panel comprised of Council commissioners & lead officers with representation from Coastal West Sussex CCG making up membership of the evaluation panel.
- 1.10 The appointed Procurement Officer has ensured that the procurement process was compliant.

2. Proposal Details

- 2.1 It is proposed that the contract for the Local Healthwatch and Independent Complaints Advocacy Service is awarded to Healthwatch West Sussex.
- 2.2 The contract will commence on 1st April 2020. The agreement is for a period of five (5) years with an option to extend for up to two (2) years.
- 2.3 The contract will be robustly monitored and managed to ensure a strongly performing service with the necessary support and oversight to deliver an effective role across the local health and care system, including agreed standards of quality for work including written reports. Programmes of work and areas of focus will be having an appropriate level of input from citizens, commissioners and system leaders to ensure maximum relevance and best use of resources.

Factors taken into account

3. Consultation

Consultation through market engagement and consultation with other local authority areas are described in the Decision Report [AH9 19-20](#).

4. Financial (revenue and capital) and Resource Implications

4.1 Revenue consequences of proposal

The tendered cost for year 1 is £316k. Although payment of inflationary uplifts in future years will be at Council's discretion, the table below shows the position over the initial five-year contract period on the assumption that such an increase will be agreed.

	Year 1 2020/21	Year 2 2021/22	Year 3 2022/23	Year 4 2023/24	Year 5 2024/25
	£m	£m	£m	£m	£m
Revenue Budget	0.343	0.350	0.357	0.364	0.371
Tendered cost	0.316	0.322	0.329	0.335	0.342
Saving Achieved	0.027	0.028	0.028	0.029	0.029

4.2 *The effect of the proposal*

The proposal will allow the continuation of a mandatory service at a reduced cost to the Council as a result of this competitive procurement process. The benefit of this will be reinvested elsewhere in the portfolio.

4.3 *Future transformation, savings/efficiencies being delivered*

The new service will have increased service levels due to a range of service element growth targets being included through the new contract.

4.4 *Human Resources, IT and Assets Impact*

None identified.

5. Legal Implications

5.1 The County Council has a statutory obligation to commission LHW and IHCAS in accordance with the Health & Social Care Act 2012. These services also contribute to the Council's general duty to provide information and advice services and prevent escalation to long term care services in accordance with the Care Act 2012.

5.2 Under Part 3 of the Council Constitution (the Responsibility for Functions) functions in relation to Public Health have been delegated to the Director of Public Health.

5.3 The Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") is likely to apply on the commencement of the new contract should there be a change of service provider. This will not result in staff transferring to or from the Council. The Council has adequate contractual provisions in place in the existing contract to facilitate the transfer of relevant information between old and new provider above and beyond the statutory provisions which should ensure a smooth transfer of service.

5.4 Capita Procurement Services conducted the procurement exercise on behalf of the Council and as such are required to ensure the process was in compliance with the Public Contracts Regulations 2015 and the Council's Standing Orders on Procurement and Contracts.

6. Risk Implications and Mitigations

Risk	Mitigating Action (in place or planned)
The risk of the service provider failing to deliver the service during the life of the contract.	Robust contract reporting and management provisions with good relationships built between the service provider and the Council and the CCG.

7. Other Options Considered

Alternative procurement options were considered as part of the Key Decision Report (ref [AH9 19-20](#)).

8. Equality and Human Rights Assessment

- 8.1 There are no foreseeable Equality and Human Rights Act implications associated with this proposal.
- 8.2 The specific needs of vulnerable groups within the population have been used as assessment criteria within the evaluation process.

9. Social Value and Sustainability Assessment

Social Value was included within part of the Key Decision Report (ref [AH9 19-20](#)) and subsequently included in the procurement process as award criteria.

10. Crime and Disorder Reduction Assessment

The provision of advice and support to clients in crisis may have an impact in reducing crime and anti-social behaviour in West Sussex.

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Background Papers

[Tender Evaluation Model](#)

Part II - Summary of Scores – available to Members upon request (Exempt - Under Schedule 12A of the Local Government Act – Paragraph 3 – Information Relating to Business Affairs)