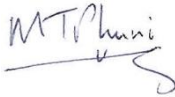




**Haringey Council**

<b>Report for:</b>	<b>Cabinet - 19 March 2013</b>	<b>Item Number:</b>	
--------------------	--------------------------------	---------------------	--

<b>Title:</b>	<b>Procurement Report: Independent NHS Complaints Advocacy Service</b>
---------------	--

<b>Report Authorised by:</b>	<b>Mun Thong Phung, Director Adult and Housing Services</b>
<b>Signed:</b>	
	<b>Date: 8 March 2013</b>

<b>Lead Officer:</b>	Lisa Redfern Deputy Director, Adult and Community Services Email: <a href="mailto:lisa.redfern@haringey.gov.uk">lisa.redfern@haringey.gov.uk</a> Phone: 020 8489 2326
----------------------	--

<b>Ward(s) affected: All</b>	<b>Report for: Key Decision</b>
------------------------------	---------------------------------

**1. Describe the issue under consideration**

- 1.1. The Health and Social Care Act 2012 (H&SC Act 2012) abolishes LINKs (Local Involvement Network) and introduces Local Healthwatch (LHW), and a national body – Healthwatch England (HWE), to provide guidance to the Local Healthwatch. Local authorities have statutory responsibilities for setting up Local Healthwatch bodies and monitoring their work. Local authorities also have responsibilities for contracting with organisations to support Local Healthwatch. Healthwatch needs to be established by 1<sup>st</sup> April 2013. One new responsibility that the H&SC Act 2012 sets out for Healthwatch is the provision of an independent NHS Complaints Advocacy Service (ICAS) for the borough, to be in place by 1<sup>st</sup> April 2013.
- 1.2. In October 2012, the Council decided that it would be in its best interests to participate in a pan-London framework proposal for the provision of ICAS, to commission a London-wide service and therefore achieve best value for money. This has been led on behalf of 25 London authorities by London Borough of Hounslow (the Lead Council).



- 1.3. This report proposes that Haringey Council enters into a service agreement with Voiceability, via the framework agreement set up by the Lead Council for NHS Complaints Advocacy Services. The Council will enter into an Access Agreement with the Lead Council in order to access the Framework Agreement.
- 1.4. In accordance with Contract Standing Order (CSO) 7.01 b) the CSO's pertaining to tendering shall not apply where the Council procures services by selecting a contractor from a Framework established by a public sector body in accordance with the contract standing orders of that public sector body.

## **2. Cabinet Member introduction**

- 2.1 I have high expectations of Healthwatch Haringey, as its key responsibilities are critical to Haringey residents in providing information and advice, advocacy, as well as supporting people who have concerns or complaints about their experiences of the NHS. For residents who may wish to make a complaint about NHS services, it is critical there is a robust organisation in place in order to support people in the most appropriate way.
- 2.2 In this context I support the recommendations set out in this report to award a two year contract (with the option to extend for 2 further periods each of 1 year) to Voiceability.

## **3. Recommendations**

It is recommended that Cabinet:

- 3.1 Approves the Council entering into an Access Agreement with the Lead Council in order to access the Framework Agreement.
- 3.2 Approves the award of contract under CSO 9.07.1 d) to Voiceability for a period of two years from 1<sup>st</sup> April 2013, with an option to extend for 2 further periods each of 1 year.

## **4. Alternative options considered**

- 4.1 The option of tendering a single contract for Haringey was considered and discounted on the grounds that tendering for this contract in isolation would have been unlikely to provide better value for money for the Council, taking all factors into account.
- 4.2 The Council has worked with the London Healthwatch Commissioners Group in developing the option set out in this report. In October 2012 it was agreed that it was in the best interests of the Council to join a pan London tendering process rather than tendering for a solely Haringey service. This is because it is considered



## **Haringey Council**

that the joint procurement exercise has taken into account of the existing contract and market structure and offered the best value for money for the Council in the procurement process and contract management. It is considered that economies of scale will be achieved through the pan London approach; given the anticipated performance for the service in terms of Haringey residents (see 5.13 below).

### **5. Background information**

- 5.1 Independent advocacy services are services assisting people making or intending to make complaints in relation to the provision of NHS services or the exercise of functions of certain NHS bodies. The Independent Complaints Advocacy Service (ICAS) is currently commissioned on a national level through the Department of Health (DH) and POhWER is the current provider for the London contract. The current ICAS contract with POhWER ends on 31<sup>st</sup> March 2013 and the replacement Pan-London Complaints Advocacy Service will need to commence on 1<sup>st</sup> April 2013.
- 5.2 The new two year pan-London service will include 25 local authorities with an estimated annual spend of £2,000,000, from 1<sup>st</sup> April 2013. Haringey Council will contribute a maximum of £64,627 per annum with the option to extend annually for a further 2 years.
- 5.3 The pan-London Complaints Advocacy service will ensure that independent advocacy skills are used to provide practical support and direction to all residents, including children and young people, who live within the 25 participating London boroughs, in order to assist them in finding a resolution to their complaint about Health Care Services in the participating London Boroughs. The service will work in conjunction with each local Healthwatch organisation whose role it will be to have an overview of issues and outcomes from the delivery of the independent Complaints Advocacy service.
- 5.4 The London Borough of Hounslow agreed to act as the Lead Council through the tendering process, and has managed the procurement process including the co-ordination of the project and evaluation group.
- 5.5 A collaborative approach has worked well with the existing ICAS contract and it is anticipated that there is sufficient market to ensure reasonable competition as a result of the tender process. In addition to the three current ICAS providers, there is a strong market of advocacy organisations delivering regional and sub-regional statutory advocacy services.
- 5.6 A project group and evaluation panel has been led by the Lead Council and has included a representative from their legal team, procurement and finance, as well as representatives from the current NHS cluster areas (NW/NC/NE/SE/SW). An officer from Haringey has represented Haringey and the other Council's within the North Central cluster at the project group and evaluation meetings. Haringey's legal and procurement teams have been consulted throughout the process to



## Haringey Council

ensure the interests of the Council are safeguarded. The tender was advertised by the Lead Council through Procure4London and Contracts Finder as well as standard text on Council websites.

- 5.7 The service will have approximately 3000 case referrals per year across all of the London boroughs of which 133 NHS cases are predicted for Haringey in 2013/14. The exact figure is unknown at present as the service is demand led. The service will operate Monday – Saturday for a minimum of 37 hours per week throughout the year, other than Bank holidays. It is expected that the service will be available for at least one evening per week.
- 5.8 The service will work to assist residents in finding a satisfactory resolution to their complaint to the NHS. They will do this by providing practical advocacy support and direction, ranging from: enabling the client to self-help by providing information and explanation on how the NHS complaints procedure works, to attending meetings and speaking to other agencies when requested. As a result of this service, complaints will be quicker to resolve, and fewer cases will be escalated to the Parliamentary and Health Ombudsman.
- 5.9 Participating authorities have opted for a framework agreement which is recommended to balance the different needs of each borough with the requirement to gain buying power from a collective approach. Each authority, once they sign an Access Agreement, will be entitled to call-off at any point during the duration of the agreement and will be invoiced accordingly.
- 5.10 The Council has signed a participation agreement along with the other participating councils that intend to call off from the framework. The Council's legal service has been fully involved throughout the tendering process and has provided comment on all documentation that has been produced by the Lead Council. The Council will only pay for services provided, up to a maximum of £64,627 per annum.
- 5.11 All services contracted to the Council are required to provide monitoring information, and contractual performance that is considered high risk in terms of poor delivery against required outcomes and value for money, and require monitoring meetings with the provider. As this is a new service, in order to support the provider the Council will closely monitor the contract. The provider will present performance information for each participating authority on a quarterly basis to the monitoring group made up of nominated members from each cluster area. Where any service is identified as underperforming, an action plan will be implemented to address these issues.
- 5.12 The proposed organisation set out in the exempt part of this report, are considered to be delivering high quality services already within London. Within the Council's contract Voiceability will be required to comply with the Council's own equal opportunities and diversity policy together with all statutory provisions relating to equalities.



## **Haringey Council**

5.13 It is to be noted there is no provision for uplift over the life of the contract with this proposal to Cabinet.

### **6. Comments of the Chief Finance Officer and financial implications**

6.1 This report requests Cabinet approval for a new two year service agreement, from 1<sup>st</sup> April 2013, (with the option to extend for 2 further periods each of 1 year), for the organisation set out in the body of this report.

6.2 The maximum value of the proposed new agreement would be £64,627 per annum and this is currently budgeted for in the departmental budget, including additional funding the Council will receive from 1<sup>st</sup> April 2013. It is noted that the funding allocation has been confirmed for 2013/14 and 2014/15 by the Department of Health, and includes the baseline LINKs funding that the Council already has within its budget, and additional funding to support the new Healthwatch.

6.3 Although the report seeks approval not to follow the Council's own usual procurement process the alternative route pursued involves a competitive tender which provides assurance that value for money is achieved. In addition the pan London contract will offer economies of scale that should increase the cost effectiveness of the contract.

6.4 As this is a new service, it will be critical to ensure robust contract monitoring procedures are followed to ensure the Council is getting value for money from the organisation providing the service, and this should include reviewing whether or not efficiencies may be achieved during the life of the contract.

6.5 Should demand for these services fall, or not be demonstrated through contract monitoring, the new contract allows for termination following a six month notice period.

### **7. Head of Legal Services and legal implications**

7.1 The Services to which this report relates are not considered Priority Services for the purposes of the Public Contract Regulations 2006. Whilst it has not been necessary to do so the Lead Council has advertised this contract in the Official Journal of the European Union (OJEU) on a voluntary basis.

7.2 In accordance with Contract Standing Order (CSO) 7.01 b) the CSO's pertaining to tendering shall not apply where the Council procures services by selecting a contractor from a Framework established by a public sector body in accordance with the contract standing orders of that public sector body.

7.3 The Lead Council has confirmed that the Framework has been established in accordance with its contract standing orders.



## **Haringey Council**

- 7.4 The value of the proposed contract exceeds £250,000 over the potential four year contract period; therefore the award requires the approval of the Cabinet in accordance with CSO 9.07.1 d).
- 7.5 The Head of Legal Services confirms that there is no legal reason preventing Cabinet from approving the recommendations in paragraph 3 of this report.

## **8. Equalities and Community Cohesion Comments**

- 8.1 In its Equality Opportunities Policy, the Council is committed to using, whenever possible, its procurement and commissioning functions as strategic tools to further the aims of its public sector equality duty and ensure that it extends opportunity and access to Council contract and that those who win contracts provide services in a way that responds to the needs of all those the contracts are intended to serve.
- 8.2 Access to Independent Complaints & Advocacy Services (ICAS) for Haringey residents will be guaranteed by an appropriate specification that will ensure service availability to all sections of the Haringey community including hard-to-reach groups.
- 8.3 The contract will include a requirement that the provider complies with the Council's own equal opportunities and diversity policy together with all statutory provisions relating to equalities.
- 8.4 However, it is noted that central to the successful delivery of this new service, is community engagement and increasing access to hard to reach groups, and therefore equality monitoring of access to ICAS will be implemented and a report completed at the end of the first year of this contract, to demonstrate that the Council can have confidence that the proposed provider(s) are working effectively with residents who may have protected characteristics. The Service Specification includes a requirement that the outputs of the services provided are measured against the Equalities Framework (as set out in the Equality Act 2010).
- 8.5 Where any gaps are identified, officers may need to review the service specification with the provider to ensure an action plan is developed that may include targeting specific groups.

## **9. Head of Procurement Comments**

- 9.1 The recommendation is in line with the procurement code of practice.
- 9.2 Contract management has been put in place to ensure contract compliance and minimise any risk of contract failure. The contract allows for termination following a six month notice period.



## **Haringey Council**

9.3 The contract has been let through a competitive process and has therefore tested the market to obtain Value for Money for the council.

### **10. Policy Implications**

10.1. Healthwatch Haringey and the Independent Complaints Advocacy Services (ICAS) are new services created by the Health and Social Care Act 2012.

10.2. Healthwatch Haringey and ICAS will be an important local Health and Social Care Watchdog and Champion for Haringey's communities.

### **11. Reasons for Decision**

11.1. Cabinet are asked to make this decision so that the Council is able to meet its statutory obligation to have an independent NHS complaints and advocacy service contract in place on 1<sup>st</sup> April 2013. Any delay to the already tight timescale reduces the likelihood of developing a professional, representative and accountable ICAS organisation that Haringey residents and stakeholders can trust and have confidence in.

### **12. Use of Appendices**

12.1. There are no appendices.

### **13. Local Government (Access to Information) Act 1985**

13.1 The following background papers were used in the preparation of this report.

- The Local Government Association materials:  
[http://www.local.gov.uk/web/guest/health/-/journal\\_content/56/10171/3737551/ARTICLE-TEMPLATE](http://www.local.gov.uk/web/guest/health/-/journal_content/56/10171/3737551/ARTICLE-TEMPLATE); and,
- The Local Government Association Briefing '*Healthwatch Factsheet: Independent Complaints Advocacy Service*'.

13.2 This report contains non-exempt information.