

Health and Wellbeing Board

14 December 2016



Report Title:	Local HealthWatch and Independent Complaints Advocacy Service arrangements for 2017/18
Ward:	City Wide
Strategic Director:	Anna Klonowski, Interim Strategic Director for Business Change
Report Author:	Simon Dicker, Commissioning Manager, Business Change
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Purpose of the report:

The report recommends the uptake of a final year's extension to the current contract for Local HealthWatch and Independent Complaints Advocacy Service for NHS and Social Care.

Recommendation for the Mayor's approval:

1. To approve the option of a final years extension to the contract.
2. To approve this at a reduced rate of £320,000 creating a total saving of 20% whilst maintaining the service capacity of ICAS.
3. To approve notification to the provider during December 2016, to ensure that savings of £80,000 are achieved in 2017-18.



The proposal:

1. The Health and Social Care Act 2012 created a duty for Local Authorities to establish Local HealthWatch as a new consumer champion for Health and Social Care Users, and also to provide Independent Complaints Advocacy in relation to NHS services.
2. Following a procurement process in 2012/13, Bristol City Council contracted with The Care Forum to provide the services, noting that advocacy would be subcontracted to SEAP. The contract ran for three years with an option to extend by up to two further years.
3. A contract value of £400,000 was agreed, based on statutory guidance and grant allocations during that year. This investment has been maintained for four years. During this time Central Government grants to Bristol City Council have reduced considerably.
4. In conjunction with the Council's Strategic Leadership Team a new target contract value was identified, and consultation with the current provider has resulted in a reduced budget proposed for 2017/18 at a total sum of £320,000. This budget protects the capacity of the advocacy services at £120,000 but reduces Local HealthWatch revenue by £80,000 to £200,000
5. As the current Local HealthWatch contract has no opportunity for provision beyond March 31st 2018, a full reprocurement process will be commenced during 2017.
6. In order to generate the full year savings, the Provider must be notified of the available investment for 2017/18 during December 2016.

Consultation and scrutiny input:

No scrutiny commission consultation was undertaken, as the item concerns a variation to an existing contract. It is anticipated that scrutiny will apply to any future reprocurement exercise.

a. Internal consultation:

Directorate Leadership Teams:

A background paper was taken to Neighbourhoods Leadership Team and also provided to Strategic Leadership Team during Autumn 2016. Approval was gained to submit the item as a key decision at the Health and Wellbeing Board in December 2016.

b. External consultation:

Contracted Provider:

Meetings held with Vicki Morris, (CEO) and Morgan Daly, (Director of Communities) representing The Care Forum (contracted provider), in an exercise to scope the impact of the reduced investment.

Other Local Authorities:

Other Local Authorities were consulted over their approach and investment for Local HealthWatch and Independent Complaints Advocacy Service. This included a range of Core Cities and other authorities.

Other Options considered:

This Key Decision is concerned with establishing operational arrangements for 2017/18 only. A reprocurement process for LHW and ICAS will be undertaken during 2017. This will determine contracting arrangements from April 2018, and a further reduction of 20% on the total contract value for LHW and ICAS is intended from April 2018 onwards. A full consultation process will be undertaken in line with procurement regulations.

Risk management / assessment:*Guidance:*

** Ensure a full risk assessment is completed and insert the details here. It must be an honest and open appraisal of the risks. It is never justifiable to set out the risks in private to the Executive but not include them in the report. Responsibility for undertaking the risk assessment lies with the report author. Advice and guidance can be sought from the Directorate Risk Champion.*

FIGURE 1**The risks associated with the implementation of the (subject) decision :**

No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (i.e. controls) and Evaluation (i.e. effectiveness of mitigation).	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
		1	The reduction in investment in Local HealthWatch will undermine the service effectiveness		Medium	High	
2	Reductions may attract adverse publicity	Medium	High	Comparison against other LA expenditure mitigates our decision, and protection of ICAS limits the impact of the risk	Low	Low	

FIGURE 2**The risks associated with not implementing the (subject) decision:**

No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
		1	That no contract extension is authorised leading to service cessation 31 st March 2017. This would be a breach of statutory duty under the Health and social Care Act 2012.		High	High	
2	That no investment reduction is achieved during 2017/18 leading to unsustainable demand on the General Fund	High	High	Agree reduction in investment	Low	Low	SD

Public sector equality duties:

It is proposed that a more targeted approach in consulting equalities communities is taken by Local HealthWatch during 2017/18 to mitigate any effect upon equality for persons with protected characteristics. There will be no change in provision of Advocacy, and Local HealthWatch will continue to promote access to this service.

Eco impact assessment

Not applicable outside of full re–procurement.

Resource and legal implications:

Finance

a. Financial (revenue) implications:

A reduction of £80,000 demand on the General Fund will be achieved during 2017/18.

b. Financial (capital) implications:

There is no capital expenditure contained in the proposals.

c. Legal implications:

Confirmation was gained from legal services that the item should be taken as a key decision due to the cumulative value of the contract extension since April 2016 exceeding the threshold of £500,000

Advice given by Sinead Willis, Solicitor

Date 27th September 2016

d. Land / property implications:

Not applicable to this contract

e. Human resources implications:

This is an externally contracted service so all HR implications are the providers responsibility.

Appendices: None