
HEALTHWATCH

**Responsible Cabinet Member -
Councillor Andy Scott, Health and Partnerships Portfolio**

Responsible Director - Ada Burns, Chief Executive

SUMMARY REPORT

Purpose of the Report

1. To agree the assignment of the Local Healthwatch Darlington Contract (Reference T2011/14/PE) to Healthwatch Darlington Limited for the period 1st April 2014 to 31st March 2015.

Summary

2. Darlington Borough Council held an open tender exercise to appoint a provider for the Healthwatch Darlington service to comply with the duties set out in the Health and Social Care Act 2010. This was awarded to the Carers Federation from 1st April 2013. The contract included outcomes for delivery of the service to residents and also a requirement to develop an independent social enterprise to undertake this delivery.
3. The contract was for a period of two years with the option to extend for a further two years dependent on funding and performance. The feedback and evidence that we have received shows high levels of satisfaction with the delivery of the contract in year one.
4. The Carers Federation were contracted to support the development of a social enterprise that could deliver the legal functions of a local Healthwatch as set out in the Health and Social Care Act (2010). The role of Carers Federation was to support the recruitment, development and mentoring of a social enterprise board that could oversee frontline delivery by staff and volunteers.
5. There is broad agreement that the Board of Healthwatch Darlington Limited is now able to continue to deliver without the support of Carers Federation. The Board have all the necessary systems and governance arrangements in place and have been providing front line delivery and as staff will transfer to Healthwatch Darlington Limited there should be a seamless transfer of provider.

6. Following robust examination of the performance, governance and structures of Healthwatch and discussion with Carers Federation the officers request the assignment of the Healthwatch Darlington contract to this new social enterprise. This will give continuity of service and support the independence of Darlington Healthwatch whilst encouraging partnership working with the Health and Well-Being Board and Health and Partnership Scrutiny.

Recommendation

7. It is recommended that Council agree the assignment of the Local Healthwatch Darlington contract (Reference T2011/14/PE) to Healthwatch Darlington Limited social enterprise for the period 1 April 2014 to 31 March 2015 with the potential to extend for a further two periods of 12 months.

Reasons

8. The recommendation is supported by the following reasons :-
 - (a) Healthwatch Darlington Limited is a social enterprise and will be independent and able to continue to provide services as the contract was originally tendered.
 - (b) All necessary legal and financial arrangement are in place to the satisfaction of the council and Carers Federation are also in agreement with the assignment.

Ada Burns
Chief Executive

Background Papers

Health and Social Care Act 2010

Mary Hall : Extension 6053

S17 Crime and Disorder	There are no adverse effects on Crime and Disorder relating to this report.
Health and Well Being	The recommendations within this report will increase the accessibility to health and wellbeing services of the people in the Borough
Carbon Impact	There are no carbon impact implications in this report.
Diversity	<p>The relevant protected characteristics are—</p> <ul style="list-style-type: none"> • age; • disability; • gender reassignment; • pregnancy and maternity; • race; • religion or belief; • sex; • sexual orientation. <p>The Council has an equality scheme and this contract supports our work on equality. The provider has an equalities policy in place and board member with expertise in this area.</p>
Wards Affected	All wards will be affected equally by this proposal.
Groups Affected	All groups will be affected equally.
Budget and Policy Framework	This decision does not represent a change to the budget and policy framework.
Key Decision	This is not a key decision.
Urgent Decision	This is not an urgent decision.
One Darlington: Perfectly Placed	This decision will support the development of Stronger Communities by supporting a new social enterprise.
Efficiency	This decision will continue to support provision whilst reducing management costs for the service and ensuring more funding is available for local activity.

MAIN REPORT

Information and Analysis

9. As part of the changes to Health and Social Care set out in Health and Social Care Act 2012 a statutory obligation was placed on local authorities to have a Healthwatch organisation in their locality. These organisations would build on the work of Local Involvement Networks and had to be independent social enterprises. Healthwatch were to become the consumer champion for Health and Social Care and had the following roles:-
 - (a) To provide information and advice to the public about accessing health and social care services and choices available
 - (b) Promote and involve people in the improvement of health and social care services.
10. Over the past year the contract for provision of local Healthwatch in Darlington has been provided by volunteers and staff working for the Carers Federation. Healthwatch Darlington has been an active member of the Health and Well Being Board and has also worked with Scrutiny and the existing networks in Darlington to ensure that there is a strong voice for residents in relation to health and social care that influences service delivery.
11. Healthwatch Darlington is also responsible for signposting people to the correct services and engaging volunteers in working with providers to improve services in both health and social care. In Darlington these activities have been undertaken by building on what already existed and improving the partnership approach of providers and service users whatever their structure or background.
12. Carers Federation and the volunteers of Healthwatch Darlington have worked hard to ensure that Healthwatch Darlington has performed against the performance outcomes and outputs required. The Board of Healthwatch Darlington was appointed following an open recruitment process led by the Carers Federation and it is this Board that has now become a limited company and registered charity. Healthwatch Darlington Limited is the new social enterprise and it is therefore recommended that the contract is assigned to Healthwatch Darlington Limited.
13. Healthwatch Darlington Board Members and the Carers Federation have worked together with the local authority to understand the demands of a social enterprise in the current climate and to ensure the governance and financial arrangements are robust and that transition arrangements were robust.
14. The directors/trustees have shown due diligence throughout the process and have satisfied the performance required and shown they have in place everything that the delivery of the contract will require to the current standard. Day to day delivery will continue to meet the requirements of the contract and for this reason the Council is asked to assign this contract to Healthwatch Darlington Limited for the remaining period of the contract. The service is a Part B Health and Social Care service in terms of European procurement law and therefore the contract rules are

less restrictive. Procurement and legal advice have been taken in the preparation of this report and recommendation to assign the contract.

15. This is a new process for everyone involved but has shown the value of one organisation supporting the development of another. Issues such as TUPE have been addressed to the satisfaction of Healthwatch Darlington Limited and they have taken independent legal advice to ensure they can evidence due diligence.
16. Carers Federation are supportive of the contract assignment and the local authority it is important to thank them for the support given to ensure that their exit strategy will mean that the service continues seamlessly for the people of Darlington.
17. Council are asked to approve the assignment of this contract for the Part B Service for the period until 31st March 2015 with the potential extension for a further two years at the value specified in the original contract, namely £131.967 per annum

Financial Implications

18. There are no additional finance requirements and the assignment of the contract is at the same value as previously. Healthwatch Darlington Ltd will also bid for additional work to increase their sustainability.

Legal Implications

19. Legal and procurement advice has been sought throughout this process and the assignment meets the necessary legal requirements. Carers Federation and Healthwatch Darlington Limited have also taken independent legal advice on this matter.
20. The exit strategy has included a robust process for the assignment of leases and equipment.

HR Implications

21. TUPE arrangements have been agreed by Carers Federation and Healthwatch Darlington Limited. Each party has taken independent advice on these and other legal issues.

Procurement Advice

22. The advice has been sought from both the procurement and legal services and they are confident that any necessary requirements were put in place at the initial point of commissioning. The contract to be assigned will be as originally put out to tender.

Equalities Considerations

23. The contract requires compliance with the Equality Act 2010 and the new provider has a board member with particular expertise in this field. As the service will be

delivered based on the existing contract requirements there should be no negative impacts and delivery will be monitored as the existing contract is.