



**Oldham**  
Council

**Report to CABINET**

## **2022 Contract Awards following tender process for Healthwatch Oldham and NHS Independent Complaints Advocacy Services**

### **Portfolio Holder:**

Cllr Zahid Chauhan, Cabinet Member for Health and Social Care

**Officer Contact:** Mark Warren, Managing Director Community Health and Adult Social Care (Director of Adult Services)

**Report Author:** Claire Hooley, Head of Joint Commissioning and Quality

**21<sup>st</sup> March 2022**

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### **Reason for Decision**

The report requests approval to award contracts for the provision of Healthwatch Oldham and the NHS Independent Complaints Advocacy Services.

The report also requests approval to extend the current contract provision with the existing providers for Healthwatch Oldham and the NHS Independent Complaints Advocacy for up to two months to allow for incumbent provider/s to implement the new contracts and allow for any Transfer of Undertakings (Protection of Employment) (TUPE) implications.

### **Executive Summary**

Under the Health and Social Care Act 2012, Local Authorities are mandated to provide local Healthwatch and NHS Independent Complaints Advocacy Services. These services do not have to be provided by the same organisation but must work together for the benefit of the local population.

The current contracts for both services expire 31<sup>st</sup> March 2022 with no provision to extend. An open tender exercise has been conducted, with recommended providers for services for the period 2022/23 – 2029/30 (with break clauses at year 3 and 5).

### **Recommendations**

- Approve the contract awards for the Healthwatch and NHS Independent Complaints Advocacy services to the recommended providers following the competitive tender process undertaken in 2021/22
- Approve the extension of the existing contract arrangements with existing providers for the provision of Healthwatch Oldham and NHS Independent Complaints Advocacy services for up to two months (1<sup>st</sup> April – 31<sup>st</sup> May 2022) allowing the new contracts to commence 1<sup>st</sup> June 2022, concluding 31<sup>st</sup> March 2029.

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## **2022 Contract Awards following tender process for Healthwatch Oldham and NHS Independent Complaints Advocacy Services**

### **1 Background**

1.1 Under the Health and Social Care Act 2021 local authorities are statutorily obliged to provide local Healthwatch and NHS Independent Complaints Advocacy services. These services do not have to be provided by the same organization but must work together for the benefit of the local population.

#### **1.2 Healthwatch services**

Established following the Health and Social Care Act 2012, local Healthwatch organisations are the local consumer champion for patients, service users and the public, covering both health and social care.

Local authorities have a statutory duty to commission a local Healthwatch organisation, which in turn has a set of statutory activities to undertake, such as gathering local views and making these known to providers and commissioners, monitoring and scrutinising the quality of provision of local services, and a seat on the local Health and Wellbeing Board.

#### **1.3 NHS Independent Complaints Advocacy (ICAS)**

The Health and Social Care Act 2012 requires all local authorities with adult social care responsibilities to “make such arrangements as it considers appropriate for the provision of independent advocacy in relation to its area” in the provision of assistance for individuals making or intending to make an NHS complaint. This covers all NHS services, including:

- NHS trusts, including NHS foundation trusts
- Primary health care services provided for the NHS by GPs, dentists, opticians and community pharmacies
- Clinical commissioning Groups
- Private health care organisations if the treatment has been paid for by the NHS
- All other health services commissioned by the NHS.

1.4 Action Together has delivered the Healthwatch Oldham and NHS Independent Complaint Advocacy services since 2014 and 2016 respectively. The last competitive tendering process took place in 2017, with new contracts commencing 2018/19.

1.5 Over recent years, reviews on local Healthwatch services have taken place, most relevantly across Greater Manchester with the aim of seeking to commission consistently. Both commissioners and service providers regularly attend the Greater Manchester sessions and it has been integral for updating service specification and monitoring of the services being delivered.

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## 2 Current Position

- 2.1 Action Together currently delivers Oldham's Local Healthwatch service and the NHS Independent Complaints Advocacy Service, therefore fulfilling Oldham Council's statutory functions as established in the Health and Social Care Act 2012, outlined in paragraph 1.1 above.
- 2.2 The current contract price for Healthwatch is £138,700 per annum and the Independent Complaints Advocacy is £28,500 per annum. The budgets are currently funded via Oldham's allocation to the Better Care Fund (BCF) and engagement has taken place with NHS Oldham CCG on the tenders for the services. Working alongside local commissioning authorities the financial envelopes for both Healthwatch and NHS CAS services are comparative. It is also worth noting that the last time the services were commissioned (in 2018) a small reduction was applied to the financial envelopes. Prior to market engagement, a sustainability test was undertaken for the service delivery, this found the current financial envelopes to be sustainable for providers to continue to deliver.
- 2.3 The current contract expires 31<sup>st</sup> March 2022 with no further provision to extend. To enable an incumbent provider adequate time to implement the new contract and any TUPE implications an additional two months are requested to enable successful incumbent providers to implement the contract/s successfully.
- 2.4 An Open Tender Exercise (ITT) was undertaken in accordance with Oldham Council's Contract Procedure Rules and Public Contracts Regulations 2015. The tender was divided into 2 Lots; Lot 1, Healthwatch and Lot 2 NHS Independent Complaints Advocacy.
- 2.5 The opportunity was advertised via The Chest portal and the following bids were received. The Tenders were evaluated in accordance with the criteria set in the ITT Documents.

**Lot 1 – Healthwatch** (financial envelope of £135,000 per annum or £945,000 for up to seven years; please note break clauses at years three and five).

One bid was submitted;

- Provider A - £974,400.00 (seven years).

**Lot 2 - NHS Independent Complaints Advocacy** (financial envelope of £28,000 per annum or £196,000 for up to seven years; please note break clauses at years three and five).

Two bids were submitted;

- Provider B – £196,000.00 (Seven Years)
- Provider C – £193,228.75 (Seven Years)

- 2.7 The Evaluation Panel consisted of the following representatives;
- Claire Hooley, Head of Joint Commissioning and Quality
  - Hayley Eccles, Head of Strategic Safeguarding
  - Bernadette Van Gaalen, Commissioning and Contract Monitoring Officer

- Mohammed Sharif, Category Manager, Procurement

2.8 The following scores were awarded to the respective organisations following the Panel's evaluation of the Technical submissions. These were based on the aforementioned evaluation criteria and weightings.

### Healthwatch

Award Criteria	Weight	Provider A
Quality	70	43.50
Social Value	10	7.50
Price	20	20%
<b>Total:</b>	<b>100</b>	<b>71.00</b>

### NHS Independent Complaints Advocacy (ICA)

Award Criteria	Weight	Provider B	Provider C
Quality Inc Social Value	80	53.00	66.00
Price	20	18.48	10.24
<b>Total:</b>	<b>100</b>	<b>71.48</b>	<b>76.24</b>
	Rank	2	1

2.9 The sole bidder for Lot 1 was Provider A receiving a score of 71.00% and the highest bidder for Lot 2 was Provider C receiving a score of 76.24%.

### 3 Options/Alternatives

3.1 Option 1: **approve** to award the contracts on the basis of the tender exercise for Healthwatch Oldham and NHS Independent Complaints Advocacy.

3.2 Option 2: **not approve** to award the contracts on the basis of the tender exercise for Healthwatch Oldham and NHS Independent Complaints Advocacy.

### 4 Preferred Option

4.1 The preferred option is option 1 – to award the contracts to the providers on the basis of the outcome of the tender exercise undertaken. To approve and award the contracts for Healthwatch Service and NHS Independent Advocacy Complaints service to Provider A and Provider C respectively.

### 5 Consultation

5.1 Consultation has taken place with the market via The Chest for the market engagement exercise ahead of tender activity commencing.

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## 6 **Financial Implications – draft comments below**

6.1 The financial envelope for the Healthwatch and the NHS Independent Complaints Advocacy Service is £139,200 and £28,000 per annum respectively. The preferred option is to initially extend the existing contract for two months up until the 31 May 2022 and then subsequently for the new contract to commence from 1 June 2022.

6.2 The price is fixed for the duration of the contract and therefore doesn't allow for inflationary uplifts. Recurrent budgetary provision has been established over the period of the Medium-Term Financial Strategy from within the Learning Disabilities & Mental Health Commissioning budget to support the continued funding of both contracts.

Danny Jackson, Senior Accountant

## 7 **Legal Services Comments**

7.1 Legal Services supports the recommendation based on the comments provided by the lead procurement officer than an open competitive procurement tender process was undertaken which complied with the Council's Contract Procedure Rules and The PCR 2015.

Sukie Kaur – Solicitor

## 8. **Co-operative Agenda**

8.1 Both the Healthwatch and ICA services supports the Council's co-operative agenda as they assist Oldham residents to achieve their full potential via having the opportunity to provide feedback on vital health and social care services and receive robust advocacy support when making complaints relating to health services.

## 9 **Human Resources Comments**

9.1 Not applicable.

## 10 **Risk Assessments**

10.1 Not applicable.

## 11 **IT Implications**

11.1 Not applicable.

## 12 **Property Implications**

12.1 Not applicable.

## 13 **Procurement Implications**

13.1 An open competitive procurement tender process was undertaken as complied with the requirements stated in the OMBC Contract Procedure Rules. The procurement team supports the recommendation to award the contract to the respective suppliers of two Lots in table 2.8. This was done through the evaluation process, which was set out in the Tender documents.

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Mohammad Sharif, Category Manager, Procurement.

14 **Environmental and Health & Safety Implications**

14.1 The Healthwatch and ICA services have a positive impact on the environment and the health and safety for both people receiving the services and the wider community. The services help to ensure people have the opportunity to inform and influence the way in which services are provided in their community.

15 **Equality, community cohesion and crime implications**

15.1 The Healthwatch and ICA services have a positive impact on community cohesion and crime prevention as they are designed to work with people in their community.

16 **Implications for Children and Young People**

16.1 The Healthwatch and ICA services are predominantly services commissioned for adults.

17 **Equality Impact Assessment Completed?**

17.1 Not applicable.

18 **Key Decision**

18.1 Yes

19 **Key Decision Reference**

19.1 HSC-02-22

20 **Background Papers**

20.1 Not applicable.

21 **Appendices**

21.1 None.