



CABINET – 13TH DECEMBER 2016

**HEALTHWATCH LEICESTERSHIRE REVIEW AND
RECOMMISSIONING**

REPORT OF THE CHIEF EXECUTIVE

PART A

Purpose of the Report

1. The purpose of this report is to detail the results of a recent review to support the recommissioning of a Healthwatch service for Leicestershire and seek approval for the proposed approach to procuring a new service. The copy of the review report is attached as Appendix A.

Recommendations

2. It is recommended that -
 - (a) The outcome of the review to support the recommissioning of a Healthwatch service for Leicestershire be noted;
 - (b) It be noted that the recommendations of the review report will be considered by Leicester and Rutland Healthwatch commissioners to explore opportunities for increased collaboration and joint working;
 - (c) The Chief Executive be authorised to -
 - (i) procure a new provider of the Healthwatch Leicestershire service which will be a freestanding social enterprise;
 - (ii) extend the current contract with Voluntary Action Leicestershire as necessary, potentially up until 31 March 2018, if this is required for market development and/or in order to align procurement timescales with other local Healthwatch services.

Reason for Recommendations

3. To support the continuing effective provision of a Healthwatch service for Leicestershire and develop improved partnership working with other local Healthwatch organisations so as to enhance the reach and impact of the service for the whole County.

Policy Framework and Previous Decisions

4. As part of the Health and Social Care Act 2012, a new 'Healthwatch' agency was introduced in each local health authority area within the country. There are three separate Healthwatch services for Leicester, Leicestershire and Rutland.
5. In October 2012 the Cabinet considered a report on the outcome of a consultation on proposals for Healthwatch Leicestershire and agreed to commence a procurement exercise. Healthwatch Leicestershire (HWL), currently delivered by Voluntary Action Leicestershire (VAL), was established in spring 2013.
6. The contract period was for 3 years with the potential for extension(s) of up to two years. A review of the HWA was carried out between July and October 2016.

Timetable for Decisions (including Scrutiny)

7. The current HWL contract was extended until 30th June 2017 to enable a review of the service prior to recommissioning. Subject to the agreement of the above recommendations, procurement of a new service will be progressed with a view to having a new contract in place by 1st July 2017, or to follow on from any further extension of the existing contract.
8. The Health and Wellbeing Board noted the outcome of the review to support the recommissioning of a Healthwatch service for Leicestershire at its meeting on 17th November 2016.

Resource Implications

9. The current cost of HWL is £187,391 per annum and it is proposed to recommission a service at the same level of resourcing.
10. Government funding for Healthwatch and associated contracts (Independent NHS Advocacy Services (ICAS) and Deprivation of Liberty Safeguards (DOLS) in hospitals) is provided via the Local Government Financial Settlement and the Local Reform and Communities Voices Grant (LRCVG).

11. The indicative allocations for this grant in 2016/17 are shown in the table below:

Service	Local Reform and Community Voices 2016/17 Funding (£)	Actual spend (£)
Deprivation of Liberty Safeguards in Hospitals	49,463	£283,375*
Healthwatch	135,723	187,391
Independent Complaints Advocacy Service	144,872	54,003
Total	330,058	524,769

*DOLS expenditure is supplemented by Departmental resources.

12. In addition to the above funding HWL is supported through the Local Government Finance Settlement. This amounted to £26,000 in 2012/13, since when local authority funding has been reduced by 31% up to 2016/17, and is expected to decrease by a cumulative 47% by 2019/20.
13. The Director of Corporate Resources and the Director of Law and Governance have been consulted on this report.

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PART B

Background

14. The key elements of a Healthwatch Leicestershire service are:
 - Listening to local people – engaging with the public and targeting seldom heard/hard to reach communities to understand what matters most.
 - Providing quality advice, signposting and information to inform patient choice.
 - Gathering intelligence to inform and influence key stakeholders to improve health and social care services.
 - Reviewing health and social care services from a lay perspective to observe the nature and quality of service improvements.
15. The current contract with VAL has been extended until the end of June 2017 to accommodate the review and recommissioning process. There is an option in the contract to extend this further if necessary, as far 31 March 2018, in order to align procurement with that for other local Healthwatch services.

The Review Report

16. The review of HWL was commissioned to inform the specification for a new Healthwatch service to be recommissioned taking account of the developing strategic context and national guidance and experience from implementation. It has considered the objectives, scope and focus of the existing contract, governance and organisational structure, resources and implementation and experience of commissioning and delivery in other areas. The review was carried out by Mair Health Ltd. on behalf of the County Council and has included secondary research focused on analysis of information relating to HWL and on information from Healthwatch England, the King's Fund and comparator health authority areas. Primary research has included interviews and surveys to seek views from the HWL Board, members and volunteers, Chairs of meetings attended by HWL, members of the Leicestershire Health and Wellbeing Board, stakeholders (health and care providers, commissioners, volunteers etc.) and other Healthwatch commissioners.
17. The review commenced in July 2016 and the review report was completed in October 2016 (attached as Appendix A). The report sets out the background to the development of Healthwatch nationally and locally, the methodology for carrying out the review (primary and secondary research as outlined above) and findings and recommendations relating to organisational form, contracting, procurement, monitoring performance, funding, income generation, governance, capacity and prioritisation and statutory functions.

Recommendations of the Review Report

18. The review report recommends that key requirements of a new HWL service model include:
- Independence – HWL may be a freestanding, hosted, or a commissioned function within a social enterprise, but it should be independent with control of its own finances, strategic direction and working practices.
 - Effective collaboration and partnership working with other local Healthwatch organisations to enhance the reach and impact of the service for Leicestershire. (This could be achieved through joint commissioning, sharing backroom functions and/or developing leads for discrete work projects.)
 - A clear and transparent process to prioritise and plan work enabled by partnership working, potentially including a joint Leicester, Leicestershire and Rutland Healthwatch advisory group.
 - Consideration being given to developing a consistent approach to activities with local Healthwatch organisations working to the same standards.
 - Involving the public and service users in service development and co-production.
 - Developing the volunteering function of HWL, to add capacity to services.
 - Developing a communication and engagement strategy to support joint working, including prioritisation of work with children and young people and seldom heard groups.
 - Marketing, to raise the profile of HWL so people know how they can engage and make a difference.

Progressing the Review Recommendations

19. It is proposed that the recommendations of the review report will be taken forward through discussions with Leicester and Rutland Healthwatch commissioners to explore opportunities for increased collaboration/joint working and through the procurement process.
20. It is proposed to seek to commission delivery of a Healthwatch service for Leicestershire for three years, with the option to extend for up to a further two years, by a freestanding social enterprise with a remit focused on delivery of healthwatch services, rather than by a social enterprise with a wider remit (the existing delivery model). It is considered that the freestanding HWL model will best deliver financial and strategic independence and accountability as it would be delivered by a completely independent company and Board which would have full responsibility for all aspects of strategic direction and operational management. This level of independence would reinforce the standing and authority of Healthwatch and help ensure it continues to attract trustees with appropriate skills, knowledge and experience. Recommendations relating to the service specification will be taken into account and incorporated as appropriate in the preparation of the revised specification.

21. Subject to the outcome of discussions with local commissioners it is considered that it will be likely to be necessary to extend the current contract further, potentially up to the end of March 2018 (when the Leicester City and Rutland contracts will be recommissioned or renewed) in order to align procurement timescales, and/or to enable market development to facilitate a competitive bidding process.

Equalities and Human Rights implications

22. HWL is committed to reducing inequalities in health and social care outcomes and this priority will be reflected in future commissioning. An Equalities and Human Rights Scoping Assessment of the service review has been carried out and is attached as Appendix B. The assessment concluded that implementation of the review is likely to have a positive equalities and human rights impact.

Appendices

Appendix A - A review to support the recommissioning of Healthwatch Leicestershire, October 2016, Mair Health Ltd.

Appendix B – Equalities and Human Rights Scoping Assessment, October 2016

Background Papers

Report to the Health and Wellbeing Board – 17th November 2016 – Healthwatch Leicestershire Review and Recommissioning
[Health and Wellbeing Board 17 November 2016](#)

Report to the Cabinet – 16 October 2012 – Healthwatch Leicestershire
<http://cexmodgov1/ieListDocuments.aspx?CId=135&MId=3395&Ver=4>