

REPORT TO: Executive Board Sub Committee

DATE: 17 November 2011

REPORTING OFFICER: Strategic Director, Communities

SUBJECT: Extension of Local Involvement Network (LINK) Contract

WARD(S) Borough-wide

1.0 **PURPOSE OF THE REPORT**

1.1 To request an extension to the exiting LINKs Host contract for the extended transition period to Local HealthWatch.

2.0 **RECOMMENDATION:**

That Members of the Executive Board Sub Committee approve that:

- i) **Halton and St Helens Council's extend the existing Host Contract by 6 months from April 2012- October 2012, plus an option for 6 x 1 month extensions if required.**

3.0 **SUPPORTING INFORMATION**

3.1 In June 2011 Executive Board Sub approved an extension to the original LINK Host contract with Halton and St Helens Voluntary & Community Action (VCA), jointly contracted with St Helens Council, to take the contract to the end of March 2012. This was in line with 'Liberating the NHS' white paper time table as it was at that time.

3.2 Since this time the Government have announced that there would be an extended transition period from LINK to HealthWatch with the establishment of HealthWatch now taking place in **October 2012**, 6 months after it was originally anticipated.

3.3 The statutory duty of each Local Authority to provide LINK activity remains until the establishment of Local HealthWatch. This now leaves a potential **6 month gap (April 2012- October 2012)** in LINK provision in Halton that needs to be addressed.

3.4 This would allow for some flexibility in the event that the Government timetable for Local HealthWatch implementation is pushed back again, in line with the introduction of NHS Complaints and Advocacy services (under the HealthWatch banner) in March

2013.

3.5 St Helen's Council are keen to extend the jointly contracted Host contract with Halton and St Helens VCA for the duration of the transition period.

3.6 The Halton LINK Host have confirmed that they would accept an extension for the extended transition period should this be offered to them.

3.7 To date there have not been any performance issues with the LINK Host

4.0 **POLICY IMPLICATIONS**

4.1 The Government's vision is to strengthen patient and public voice through the development of LINKs into Local HealthWatch. Local HealthWatch will continue with the role of LINK along with additional remit as a consumer champion at both local and national levels.

4.2 For LINKs, the transition year needs to address two key challenges:

- All LINKs being supported to operate at the level of the best;
- A smooth transition to local HealthWatch.

4.3 For local authorities the transition year needs to address:

- What effective and valuable local HealthWatch arrangements would look like;
- The level of investment required in local HealthWatch arrangements.

4.4 By extending the existing LINK Host Contract it will support the LINK to continue with establishing a transitional plan and its transitional arrangements, promoting a smooth transition to Local HealthWatch.

5.0 **OTHER/FINANCIAL IMPLICATIONS**

5.1 LINKs is currently funded through Department for Community & Local Government Formula Grant, this will continue for at least the remainder of the current spending review. There is sufficient grant to cover the periods identified.

6.0 **LEGAL IMPLICATIONS**

6.1 The Procurement team have agreed that this option as viable as the LINK service is Part B exempt under the Public Contracts Regulations 2006 as it is classified as a 'health and social care service' and the aggregated value of the contract would be less than £1 million. A waiver of standing orders would need to be approved.

A business case for waiver of standing orders can be found in Appendix 1

7.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

7.1 **Children & Young People in Halton**

None identified.

7.2 **Employment, Learning & Skills in Halton**

None identified.

7.3 **A Healthy Halton**

LINKs provide the following functions:

- Promoting and supporting the involvement of people in the commissioning, provision and scrutiny of health and social care services
- Obtaining the views of people about their needs for and experiences of local services.
- Conveying those views to organisations responsible for commissioning, providing, managing and scrutinising health and social care services and recommending how services can be improved.
- Enabling people to monitor and review the commissioning and provision of local services.

7.4 **A Safer Halton**

None identified.

7.5 **Halton's Urban Renewal**

The views of local people on issues which may include access to centres that provide health and social care services may be sought by the LINK.

8.0 **RISK ANALYSIS**

8.1 If the LINK contract is not extended for the period April 2012 – September 2012 Halton Borough Council will need to make alternative arrangements to provide LINK support during the transitional period. This may incur additional cost and resource.

9.0 **EQUALITY AND DIVERSITY ISSUES**

9.1 The LINK seeks views on health and social care provision from all groups within the community in relation to health and social care

services available to Halton residents.

9.2 Any contract extension will make provision for the Host organisation to maintain and observe a written Equalities Policy.

10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

Document	Place of Inspection	Contact Officer
Executive Board Sub Committee Report 15/07/11	Municipal Building	Angela McNamara Divisional Manager Commissioning

Appendix 1 Business case for waiving tendering Standing Orders

In light of the exceptional circumstances, namely a change in the Government timetable in extending the transition period to Local HealthWatch, it is requested that Standing Orders be waived on this occasion on the basis of SO1.8.2(f) in view of compliance with Standing Orders would be inconsistent with partnership arrangements with St Helens Borough Council.

St Helen's Council are keen to work with Halton Borough Council to continue the existing LINK Host arrangements during the extended transition period to ensure continuity and quality of provision is not compromised during an already turbulent time in the field of Health and Social Care, due to wide ranging reforms.

As the current Host arrangement is jointly procured with St Helen's Council, a deviation from this arrangement at this stage would require Halton to undertake, as a minimum, an 'advanced quote' process – incurring resource and possible financial implications.

Value for money and competition

The extension to the LINK Host contract will be subject to quarterly monitoring by both Halton and St Helens Councils, as it is a joint contract between the two Authorities. From Halton, this will be undertaken by a Policy Officer (Health). Quarterly monitoring of the Host contract is already well established where by progress towards the outcomes specified in the original contract is reviewed, identifying where remedial action is required to be taken.

In the letter from the Department of Health (dated 27.10.10) it is stated that '...local authorities **should** consider extending **existing LINKs host**... unless there are strong operational reasons not to do so.' To date there have been **no** performance issues in relation to the Host organisation's progress towards and achievement of outcomes specified in the original contract specification.

St Helens and Halton CVA have agreed a 12.5% reduction in the half yearly budget (April 2012-October 2012) in light of the current financial situation that faces both Halton and St Helens Council's. This will enable the Host organisation to continue to deliver a LINK service to the public, ensuring that the level of quality is not compromised during the transitional period.

There would be resource implications of testing the market for a contract of only 6 months in duration. There is also a risk that in pursuing alternative arrangements that continuity of service to the public may be compromised and confusion may occur amongst the public and other stakeholders during what is already a potentially confusing transitional period from LINK to HealthWatch.

Transparency

Any request for information under the Freedom of Information Act (FOIA) will be entered into the corporate FOI Tracking System to ensure that it is dealt with and responded to within the statutory 20-day period.

The LINK Host contract will be subject to the internal audit process of the Council. Internal Audit works to an Annual Audit Plan which is approved by the Business Efficiency Board.

Propriety and Security

Integrity clauses will be built into the contract extension document ensuring that only staff with a need to know will have information about the contract. The Host organisation shall ensure that it complies with all relevant legislation, including the Data Protection Act 1988 and the Freedom of Information Act 2000

Accountability

Accountability would remain with the Operational Director for Prevention and Commissioning and would be subject to scrutiny from internal and external audit processes and Policy and Performance Boards.

Position of the contract under the Public Contracts Regulations 2006

This contract is for a Health and Social Care service and as such is exempt from the 2006 regulations. The contract extension would be Part B exempt as the aggregated value of the contract is less than £1million.

The annual value of this contract is below the financial threshold of £156,442.00 and therefore a full tender exercise would not be required.