

Paper Summary Sheet

Presented to:	Governing Body - Public
Date of Meeting:	23 January 2018
For:	To Note

Agenda Reference:	GOV/18/01/11
Title:	Future Commissioning of User Led Organisations
Executive summary:	
<p>Background</p> <p>Wiltshire CCG currently funds three User Led Organisations (ULOs) either directly, or through the Better Care Fund:</p> <ul style="list-style-type: none"> • Wiltshire Centre for Independent Living (WCIL) • Wiltshire People First (WPF) • Wiltshire and Swindon Users' Network (WSUN) • Healthwatch Wiltshire (Evolving Communities Community interest Company) <p>to provide the CCG and patients with a variety of opportunities to have input into CCG and Council project work, for example by consulting on specific adult commissioning work and pathway design. The four organisations are currently commissioned by Wiltshire Council and CCG to provide a wide range of support, and the CCG specifically commissions WSUN and Healthwatch Wiltshire for:</p> <ul style="list-style-type: none"> • Support with consultations <ul style="list-style-type: none"> - WSUN facilitate opportunities for health and social care users that are traditionally marginalised to participate, contribute and become involved with CCG projects, including users from hard to reach groups. - WSUN and WPF run consultation events and workshops that, for example: <ul style="list-style-type: none"> ○ link with work undertaken by Healthwatch ○ address issues raised by patients - WPF Consult with people with learning disabilities about specific pieces of Council and CCG work such as; <ul style="list-style-type: none"> ○ Easy read versions of CCG plans, eg Transforming Care Plan ○ Joint commissioning strategy ○ Developing an outcomes based framework for people with learning disabilities • Information and advice <ul style="list-style-type: none"> - Healthwatch have a duty to provide advice and information about access to local care 	

services.

In addition, some ULOs also provide functions outside the scope of the commissioned specification, such as:

- Advocacy
- Community development activities
- Social activities for service users
- Information and advice

Co-production

- Co-production is a process whereby service users and professionals work together as partners. Some definitions of co-production include:
 - “Co-production is not just a word, it’s not just a concept, it is a meeting of minds coming together to find a shared solution. In practice, it involves people who use services being consulted, included and working together from the start to the end of any project that affects them”
 - “A way of working whereby citizens and decision makers, or people who use services, family carers and service providers work together to create a decision or service which works for them all. The approach is value driven and built on the principle that those who use a service are best placed to help design it”
- Wiltshire Council and Wiltshire CCG are keen to ensure that the ethos of co-production is protected and developed within any future service specification(s) for service user engagement.

Healthwatch

- The Health and Social Care Act 2012 placed a statutory duty on local authorities to establish a local Healthwatch. Healthwatch is a local independent service which exists to speak up for local people to ensure that the health and care system in Wiltshire reflects what local people expect and need. Local authorities have discretion as to how the local function is commissioned, however it should be noted that the Council must commission a social enterprise to deliver the statutory functions of Healthwatch.
- Central Government provides £205,000 per annum in funding for Healthwatch through the Local Reform and Community Voices Act. This funding is not ring-fenced and in 2017/18, in line with a number of other authorities, Wiltshire Council reduced the grant by 10% to £184,500 per annum. Healthwatch England are currently using statutory powers to challenge these reductions, including challenging authorities to publicly outline how they assessed the cost of their local group and how they will provide assurance that it is able to deliver its statutory activities on the reduced budget
- Since 2016, Healthwatch Wiltshire has been awarded an additional £100,000 from the Better Care Fund each year. This is in addition to Central Government monies for works not stipulated as a core Healthwatch responsibility within the current contract.
- Wiltshire CCG does not directly fund the core Healthwatch contract, but does benefit from specific work funded from the Better Care Fund contribution. The CCG also commissions bespoke work

from Healthwatch to inform consultations and service development, for instance the establishment of the Patient Participation Group network.

- There are overlaps with the services that each user organisation and Healthwatch provides in relation to engagement and consultation. However, ULOs do provide valuable activities in relation to specific groups (e.g. people with learning disabilities; people with autism), enabling them to lead service developments. The organisations have also been forging relationships with one another within current contractual arrangements by collaborating on specific projects.

The organisations' current contracts come to end in March/April 2018. This paper therefore sets out the future commissioning arrangements and the procurement timetable.

Future Commissioning

- In November 2017 Wiltshire Council Cabinet approved the future commissioning of two separate services: one to deliver the statutory Healthwatch function and the other/s to deliver the non-statutory functions. These services would be tendered as part of a single process in two separate lots which would allow providers to bid for both or either lot.
- Additionally the Council Cabinet approved the delegation of authority for the Corporate Director for Adult Care and Health in consultation with the Cabinet Member for Adult Social Care, Public Health and Public Protection, to award a contract to the preferred provider/s when identified, as a result of the tender process.

Procurement Implications and timescales

- The current proposed tender time-scales are as set out below. Dependent upon the chosen options, it may be necessary to adjust this timescale, which would require extensions to current arrangements.

Tender issued	12 January 2018
Evaluation of submissions	16 February 2018
Selection of preferred provider/s	20 February 2018
Cabinet approval to award contract	19 March 2018
Notify preferred provider	26 March 2018
Standstill start	27 March 2018
Standstill end	6 April 2018
Award Contract to preferred provider	7 April 2018
Contract start	1 June 2018

Recommendations:	The Committee / Governing Body is asked <u>to note</u> the future commissioning intentions.
Previously considered by:	Wiltshire Council Health Select Committee (September 2017) Wiltshire Council Cabinet (November 2017)
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Sponsoring Director / Clinical Lead/ Lay Member:	Christine Reid, Lay Member for Patient & Public Involvement

Risk and Assurance:	<p>Risks that may arise if the proposed decision and related work is not taken</p> <p>If a decision is not taken, the following risks have been identified:</p> <ul style="list-style-type: none"> • If current arrangements are maintained, there is potential for the duplication of service and costs to continue • The commissioning of separate projects may continue, as current service specifications do not define all works required <p>Risks that may arise if a decision is taken and actions that will be taken to manage these risks</p> <p>A risk assessment of the proposed options has been undertaken by Commissioners. The following risks have been identified:</p> <ul style="list-style-type: none"> • Reducing or completely removing local authority funding to the existing organisations could cause them to close if they are unable to generate alternative income streams • There is a risk that tenders will be limited if there is no market which aligns to the commissioning model. However, the Council and CCG has been engaging with providers to highlight concerns with duplication, efficiencies and encouraging providers to work together.
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Financial / Resource Implications:	<p>Financial Implications</p> <p>The total 2017/2018 contract values of the services (3 ULOs and Healthwatch) is as follows:</p> <table border="1" data-bbox="495 1497 1557 1612"> <tr> <td>Wiltshire Council</td> <td>£427,890</td> </tr> <tr> <td>Wiltshire CCG</td> <td>£89,195</td> </tr> <tr> <td>Total</td> <td>£517,085</td> </tr> </table> <p>Organisations were awarded the following funding in 2017/18:</p> <table border="1" data-bbox="495 1795 1557 1948"> <thead> <tr> <th></th> <th>WPF</th> <th>WCIL</th> <th>WSUN</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Wiltshire Council</td> <td>£99,350</td> <td>£40,000</td> <td>£104,040</td> <td>£243,390</td> </tr> <tr> <td>Wiltshire CCG</td> <td>£0</td> <td>£0</td> <td>£89,195</td> <td>£89,195</td> </tr> <tr> <td>Total</td> <td>£99,350</td> <td>£40,000</td> <td>£193,235</td> <td>£332,585</td> </tr> </tbody> </table>	Wiltshire Council	£427,890	Wiltshire CCG	£89,195	Total	£517,085		WPF	WCIL	WSUN	Total	Wiltshire Council	£99,350	£40,000	£104,040	£243,390	Wiltshire CCG	£0	£0	£89,195	£89,195	Total	£99,350	£40,000	£193,235	£332,585
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	<p>Of the £332,585 awarded by Wiltshire Council and Wiltshire CCG, it is estimated, based on contract review information, that £100,000 is used for back office costs across the three organisations.</p> <p>Funding for Healthwatch and the three ULOs was reduced from £477,409 (2016/17) to £425,293 in 2017/18 to achieve efficiencies.</p> <p>The funding allows for the organisations to pay for back office costs as well as service delivery. There is therefore potential to make savings by:</p> <ul style="list-style-type: none"> • Reducing the number of organisations and their associated ‘back office costs’ • Concentrating funding on achieving specific outcomes/undertaking specific activities • Moving away from the requirement for the organisation to deliver this service to be a ULO, whilst protecting the principles of co-production • Removing some of the current outcomes/activities funded within contracts as detailed within this report.
<p>Legal, Policy and Regulatory Requirements:</p>	<p>There are no legal implications arising</p>
<p>Communications and Engagement:</p>	<p>Overview and Scrutiny Engagement</p> <p>A report was considered by Health Select Committee on 5 September 2017 and views of the Committee were reported back by The Cabinet Member for Adult Social Care, Public Health and Public Protection at the 12 September 2017 Cabinet meeting.</p> <p>An engagement exercise has been undertaken with service users who have been asked about their experience of engaging with the Council and the CCG and partner organisations. A summary of the consultation findings is available as an appendix to the November Cabinet paper.</p> <p>Each of the current providers has been consulted and have provided their thoughts on engagement in the future. Their submissions are included as background papers to the November Cabinet paper.</p> <p>The commissioners will communicate with members of the public post award of contract and commissioners and the provider(s) will engage with patients, public and service users.</p>
<p>Equality & Diversity Assessment:</p>	<p><input checked="" type="checkbox"/> An Equality Impact Assessment has been completed and is available as a background paper to the November Cabinet paper.</p>