

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet Member Adult Social Care and Health
2.	Date:	17th November 2014
3.	Title:	Waiver Rotherham Healthwatch
4.	Directorate:	Neighbourhood and Adults Services

5. Summary:

Rotherham Healthwatch is commissioned for and behalf of Rotherham Health and Wellbeing Board (HWBB).

Parkwood Healthcare Ltd were formally advised in writing of the intention and timeline to novate the contract to the Social Enterprise of Rotherham Healthwatch (RHW). Novation of contract was formally challenged by Parkwood Healthcare Ltd on 8th August 2014. Following advice from RMBC Legal team the Council entered into a deed of termination agreement with Parkwood Healthcare to ensure that delivery of the service could commence by the Social Enterprise Rotherham Healthwatch Ltd on 1st September 2014 as agreed.

The termination process was successfully completed by 31st August 2014 and a new contract was established with Rotherham Healthwatch Ltd, the Social Enterprise, on 1st September 2014.

Legal advised that the challenge from Parkwood necessitated a retrospective waiver of Council Standing Orders to contract with the newly established Social Enterprise.

6. Recommendations

That the Cabinet Member for Adult Social Care and Health

6.1 Waive (in accordance with Standing Order 49 - Tender invitation and Receipt of tenders) for delivery of Healthwatch Rotherham.

7. Proposal and Details

7.1 Service Delivery

Healthwatch Rotherham (HWR) was commissioned by Rotherham Borough Council on behalf of the Health and Wellbeing Board as the consumer champion for health and social care services in Rotherham.

Parkwood Healthcare Ltd was awarded the Healthwatch Rotherham (HWR) contract following an open tender process. The contract commenced on the 1st April, 2013 for a contract period of 2 years with an option to extend for a further 1 year dependent on central government funding.

As set out in the tender process and in the contract it was always the intention, , that once Parkwood Healthcare Ltd had established Healthwatch Rotherham that the contract would novate to HWR to enable HWR to operate as an independent Social Enterprise. The intention to novate the contact by September 2014 was approved by the Health and Wellbeing Board on the 26th March, 2014

Parkwood Healthcare Ltd were formally retold in writing of the novation intention and timeline. Negotiations commenced and were conducted in an open, transparent and affable environment.

The Chair, Board of Directors and management staff of RHW were supported to set up a Social Enterprise to deliver the services as set out in the original specification and contract and existing staff have been TUPE'd into the Social Enterprise.

Novation of contract was formally challenged by Parkwood Healthcare Ltd on 8th August 2014. Following advice from RMBC Legal team the Council entered into a deed of termination agreement with Parkwood Healthcare to end any rights and obligations under the existing contract with Parkwood Healthcare Ltd (Confidentiality and National Audit requirements notwithstanding) and to ensure that delivery of the service could commence by Rotherham Healthwatch Ltd (Social Enterprise) on 1st September 2014 as agreed. The termination process was successfully completed by 31st August 2014 and a new contract was established with Rotherham Healthwatch Ltd on 1st September 2014 until 31st March 2015.

The challenge requires a waiver of Standing Orders to contract with the newly established Social Enterprise. This is retrospective as prior to the challenge the novation clause in the contract was deemed sufficient to be relied upon to achieve the transfer of obligations and undertakings.

We are seeking a waiver from Standing Orders to not undertake a competitive tendering exercise on the basis of:-

- Cost effectiveness – only Parkwood Healthcare Ltd (the outgoing provider) was evaluated has having the necessary skills and experience to deliver Healthwatch Rotherham at the last round of competitive tenders
- Parkwood Healthcare have surrendered future rights and obligations of the contract

- Delivery of the service will be conducted using the same members of staff under the same terms and conditions and original specification.
- Novation of the contract to a Social Enterprise was previously agreed by HWBB on 26th March 2014.

8. Finance

The value of the Healthwatch Rotherham contract is £215,000 per annum. The contract with Rotherham Healthwatch Ltd is £125,417 (7 months) to 31st March 2015 with an option to extend for a further year (if the funding is available). The budget continues to be monitored by the RMBC commissioning team.

9. Risks and Uncertainties

That if we go out for a competitive tender we would not attract suitable submission from other providers other than Rotherham Healthwatch Ltd or Parkwood and the delays in the process would have a significant impact on a well-established service in Rotherham

10. Policy and Performance Agenda Implications

Rotherham Healthwatch will contribute to the delivery of the Corporate Plan, in particular the following objectives:

CP1 Stimulating the local economy and helping local people into work

CP4 Helping people improve their health and wellbeing and reducing inequalities within the borough

The way we do business

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