

MUNICIPAL YEAR 2016/2017 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

PORTFOLIO DECISION OF:

Cabinet Member for Economic
Regeneration & Business Development

REPORT OF:

Executive Director – Regeneration &
Environment

Agenda – Part: 1

KD Num: 4438

Subject: Appointment and Instruction of Soils
Remediation Contractor Hydrock –
Remediation Framework

Wards: Upper Edmonton and Edmonton
Green

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1. EXECUTIVE SUMMARY

- 1.1 Central to the Council enabling regeneration of the area and the delivery of homes for the Housing Zone, is the remediation of the Willoughby Lane and Meridian Way sites. Approval is sought for works as part of the remediation budget approved by Cabinet in KD 4229.
- 1.2 To discharge planning conditions to satisfy regulators and enable the development to progress whilst adding value to the land, the Willoughby Lane and Meridian Way sites need to be remediated.
- 1.3 Following a tender process in accordance with the Council's 'Remediation Framework', Hydrock's tender submission was deemed the most economically advantageous tender in order to undertake the necessary remediation works.
- 1.4 To meet the current programme Hydrock should be in contract in mid-February 2017 to commence remediation in late March 2017 for the majority of the site to be remediated by the end of 2017 ahead of the development partner commencing their construction of residential units works from January 2018.

2. RECOMMENDATIONS

That the Cabinet Member for Economic Regeneration and Business Development in conjunction with the Executive Director for Regeneration and Environment:

- 2.1 authorises the placing of an order and award of contract to Hydrock, in accordance with the Council's Remediation Framework, for the remediation of Willoughby Lane and Meridian Way sites.
- 2.2 see Part 2.

3. BACKGROUND

- 3.1 Meridian Water is a pivotal regeneration scheme, which has the potential to accommodate over 10,000 new homes and 6,700 new jobs by 2030. The Meridian Water Masterplan was adopted in 2013 as Planning and Urban Design Guidance - Material Consideration, and provides a framework for the delivery of this new community adopted by the council in July 2013 (Key Decision: 3699).
- 3.2 The Council has identified Barratt London as the preferred master developer for Meridian Water and is finalising negotiations before entering into the Master Development Agreement.
- 3.3 A remediation contractor framework ('Remediation Framework' or 'Framework') has been set up and contractors selected (Key Decision: 4351). Remediation Works through the framework has been tendered and will result in a contract for soil remediation so the sites can be used for development purposes and the building of houses. It is the Council's responsibility to remediate the land and this is critical path to Barratt London getting on site to deliver homes.
- 3.4 The Willoughby Lane site was formerly used as a town gas works and the Meridian Way (also known as Tear Drop) site as a coal storage area. The sites are to be redeveloped for housing, with areas of public open space and a new railway station. The first phase of construction is intended to be completed by 2018 / 19, with further phases to follow.
- 3.5 The site history has led to some contamination presence, for which there are remediation strategies to bring the sites into beneficial use. A remediation budget for the Willoughby Lane and Meridian Way sites was approved as part of the wider Meridian Water budget in February 2016 (Key Decision: 4229). The remediation required is split into groundwater and soils, with the former underway (Key Decision: 3973) since October 2016 and the latter subject to this report.
- 3.6 A tender process has been undertaken to select a remediation contractor (from the Council's remediation contractor framework) for the Willoughby Lane and Meridian Way sites. The Remediation Works package to be undertaken is in line with the remedial strategies and will discharge relevant development planning conditions to enable the development to progress as programmed.
- 3.7 The Remediation Works form part of the existing allocated budget and enables both the effective remediation of the site and allows key development infrastructure to be installed, such as piles for housing, new utilities (e.g. drainage, water, heat and electricity) and engineered structures (roads, paths, parking, open space areas) for the new housing.
- 3.8 To meet the current programme Hydrock should be in contract in mid February 2017 to commence remediation in late March 2017 for the majority of the site to be remediated by the end of 2017 ahead of the development partner commencing their works. A small section of the site, associated with National Grid infrastructure, needs to remain operational until separate design & diversion aspects are complete, this small section will then be remediated in 2018.
- 3.9 Evaluation percentages were split 70% cost and 30% quality. Quality aspects include: environmental management, community benefit, project management structure, programme management, cost management, subcontractor & supply chain and technical approach & innovation.

- 3.10 The purpose of this report is to i) justify the selection of the winning remediation contractor; ii) communicate the breakdown of the cost involved; and iii) recommend that orders are placed to meet the programme.

4. **Cost**

- 4.1 The detailed cost can be found in Part 2 of this report.
- 4.2 The Remediation Works were procured under a NEC3 target price contract based on scoped activities. This NEC3 contract has been selected from a suite produced by the Institute of Civil Engineers designed for these sorts of projects.
- 4.3 Some activities have been priced based on predicted ground conditions following the assessment of extensive site investigation information. Thus these activities are estimates and subject to re-measurement to accomplish the remediation that is required to discharge the planning conditions. Additional remedial options have also been priced, which are designed to add value to the land and/or discharge planning conditions.
- 4.4 A small number of assumptions have been made in deriving the scope and cost estimate. If any of the assumptions turn out to be incorrect, some aspects of the works may lead to an increase (or decrease) in costs. Below can be found the assumptions made.
- 4.5 **Volume of material for re-use, crushing and disposal** – The tendered price has been based on assessment of known data from in-depth previous works (e.g. site investigation). However, the soils underlying the surface are not fully known (i.e. site investigation only enables partial assessment of soils), thus the actual amount of soil that is suitable for re-use or that requires off-site disposal and the amount of obstructions that will be encountered has some inherent uncertainty. This could lead to cost increases (or decreases). A contingency amount has been estimated to cover this situation.
- 4.6 **Programme and Pain/Gain Risk Share** – Some elements of the works are within the control of 3rd parties, e.g. the diversion of utility services such as the gas mains. This may impact the remediation programme. This will be monitored and managed to minimise potential impact. The contract selected 'shares' (between the winning Contractor and the Council) the costs associated with some potential cost overruns (and also shares gains made against the contracted target price, i.e. there could be cost savings based on the target price).
- 4.7 **Remediation options** – there are a few options that may be required, e.g. to clear deeper obstructions, divert services to achieve effective remediation & satisfy regulators or to remediate land that is transferred to the Council. These options have been priced separately and are not included in Hydrock's programme. An assessment for each option will be undertaken ahead of selecting implementation of each option – this will consider the future benefits to the Council, e.g. additional homes being possible due to taller buildings, additional open space (current and future residents' wellbeing), additional income etc.

5. **Cost Certainty**

- 5.1 Cost estimates are presented Part 2 of this report.

6. **Conclusion**

- 6.1 To enable the site for development the site must be remediated. Orders need to be placed with Hydrock, in accordance with the Remediation Framework, to enable the development to proceed as programmed.

7. ALTERNATIVE OPTIONS CONSIDERED

- 7.1 Of the four framework contractors, three returned tenders. Detailed assessment of the three tenderer's bids were undertaken. The winning contractor has been assessed against the other contractor's tenders and deemed to offer the most economical advantageous bid for the Council.
- 7.2 Doing nothing would result in key planning conditions not being able to be discharged, which would result in significant programme delay with regards to building homes.

8. REASONS FOR RECOMMENDATIONS

- 8.1 Following a tender process, Hydrock was deemed to be the most economical advantageous bid for the Council. Remediation of the sites will enable key planning conditions to be discharged and ultimately homes to be delivered to the programmed dates.

9. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

9.1 Financial Implications

- 9.1.1 The 2016-17 budget report approved by Council in February 2016 (KD:4229) included the Meridian Water Capital Programme budget for the year 2016-17 inclusive of a forecast budget for remediation. Part 2 report confirms the cost amount and that it can be contained from within this budget at no additional borrowing cost to the Council.

9.2 Legal Implications

- 9.2.1 Section 111 of the Local Government Act 1972 gives a local authority power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions (such functions including its housing and related economic development functions). The recommendations contained within this report are in accordance with these powers.
- 9.2.2 The Council also has power under section 1(1) of the Localism Act 2011 to do anything which individuals generally may do provided it is not prohibited by legislation and subject to public law principles.
- 9.2.3 Following a tender process carried out in accordance with the Remediation Framework, The Council proposes to award the contract to Hydrock. The Council's Constitution, in particular its Contract Procedure Rules ("CPR's") permit the Council to call-off from an existing framework, as long as the framework terms permit such. In awarding the contract, the Council must be mindful with and at all times ensure that it complies with the rules of the Remediation Framework.
- 9.2.4 The Council must also adhere to the Duty of Best Value and must consider this duty in the manner in which the Remediation Works are provided, in accordance with the Local Government Act 1999.

- 9.2.5 Due to the value of the contract, the Council must ensure that it follows the Key Decision Procedure in accordance with its Constitution.
- 9.2.6 Instructing officers should be mindful of the requirement to obtain a performance bond or parent company guarantee for every contract exceeding £250,000 in value, except where the relevant Director and the Director of Finance Resources and Customer Services consider this to be unnecessary (CPR 21.1).
- 9.2.7 The terms of the resultant contract (and any other ancillary documentation where relevant) must be in accordance with the Framework rules and must be in a form approved, ahead of contract commencement date, by the Assistant Director of Legal & Governance Services.

9.3 Procurement Implications

- 9.3.1 All procurement must be carried out in compliance to UK and EU regulations and within Council CPR's.
- 9.3.2 Where a framework is used then it must be ensured that the framework is legally compliance and that any call off from the framework is carried out within the rules of the framework to ensure that this is legally compliant.

9.4 Property Implications

- 9.4.1 Strategic Property Services understands and supports the decision to A) remediate the Housing Zone sites outlined in the report and B) Facilitate the relocation of essential gas infrastructure in order to accelerate the delivery of homes for the Housing Zone the Council is undertaking with particular attention to the remediation activities on the Willoughby Lane and Meridian Way sites.
- 9.4.2 Strategic Property Services (SPS) have been advised that both the Willoughby lane and Meridian Way sites are heavily contaminated and also require the relocation of gas infrastructure, particularly the Pressure Reduction Station. These essential infrastructure and remediation works are potentially expensive. Furthermore, it is noted that the infrastructure works will, of necessity, be undertaken by the statutory utility suppliers and therefore as this is outside of the Council's direct control it has the capacity to potentially adversely affect the development programme and introduce further cost pressures to the scheme.
- 9.4.3 Strategic Property Services also advise that at the appropriate time, actual costs for these essential works and remediation costs should be compared against the budgeted cost within the development appraisal to ensure that overall viability is maintained and represents Value for Money.

10 KEY RISKS

- 10.1 Cost – consideration for the increase in cost has been made above and reasonable increase has been budgeted. This still fits comfortably within the overall remediation budget as approved.
- 10.2 Time – The National Grid element of the programme needs managing to ensure works are undertaken as planned in 2018.

- 10.3 Risk Management – Identified risks are being managed and subject to project controls; risks are reviewed regularly. Key management measures include a specialist remediation consultancy Amec Foster Wheeler managing the Hydrock soils remediation contract and the council having an internal experienced professional, specialising in remediation, managing the overall process.

11 IMPACT ON COUNCIL PRIORITIES

- 11.1 The remediation of Willoughby Lane and Meridian Way sites are the first development zones adjacent to the rail infrastructure and hold the key to unlocking development at Meridian Water. Planning and urban design guidance about the significant scale of change proposed throughout the document seeks to achieve fairness for all, sustainable growth and the development of strong communities.

12 EQUALITIES IMPACT IMPLICATIONS

- 12.1 A Retrospective EQIA has been undertaken and has highlighted no negative impact on residents from the protected characteristic groups or persons due to socio-economic factors.

13 PERFORMANCE MANAGEMENT IMPLICATIONS

- 13.1 Delivery of a comprehensive regeneration scheme at Meridian Water is a corporate priority within the Council's Business Plan 2012-15. Completion of the Masterplan and delivering phased infrastructure improvements will help to meet Outcome 2.10 of the Business Plan; to improve the quality of life of residents through the regeneration of priority areas and promote growth and sustainability; and the Council's 2016/17 Business Plan Vision of 'A borough that attracts inward investment and supports sustainable regeneration and growth'.

14 HEALTH AND SAFETY IMPLICATIONS

- 14.1 The remediation and development of the Willoughby Lane and Meridian Way sites will in turn mitigate risks and ensure the sites are suitable for the end uses, including providing a satisfactory level of amenity, safety and security.

15 HR IMPLICATIONS

N/A.

16 PUBLIC HEALTH IMPLICATIONS

- 16.1 Energy is a basic necessity to modern life. Remediation of land so that further development can take place should improve health through the avoidance of risk through the potential hazards within the land. Further improvements to health will be achieved through securing energy and sustainable housing.

17 Background Papers

None

MUNICIPAL YEAR 2016/2017 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

PORTFOLIO DECISION OF:
Cabinet Member for Education,
Children's Services & Protection

REPORT OF:
Chief Education Officer

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Agenda – Part: 1

KD Num 4384

Subject: West Lea School - commission and
resourcing of Professional Services

Wards: Haselbury

Cabinet Members consulted:

Cllr Ayfer Orhan
Education, Children's Services & Protection

1. EXECUTIVE SUMMARY

- 1.1 The June 2015 programme of projects (KD 4079) was approved to rectify and eliminate repairs in terms of high technical priority for consideration in 2015/16, 2016/17 and indicative projects in 2017/18. The programme includes West Lea new block and partial rebuild, expansion of special provision.
- 1.2 The October 2015 Cabinet report (KD 4141) on pupil place planning and delivery established delegated authority to the Chief Education Officer and the Director of Finance Resources and Customer Services for decisions on the "*procurement of any required support services*" and "*appropriate procurement routes for professional support services and construction*" for projects.
- 1.3 A decision is now required on engaging professional services to review feasibilities and start the design phase for the delivery of the school expansion, condition works and to undertake the requisite survey work to consult with the various stakeholders in order to submit a planning application through to implementation and commissioning. There is a need to progress this activity quickly in order to progress projects within the 2016/17 & 2017/18 Schools and Childrens Service 'SCS', Capital Programme in order to deliver the scheme within this programme, approval is sought to progress based on the proposed Procurement Strategy and engagement of Professional Services as set out in this report.
- 1.4 This Operational Report sets out decisions relating to the above that will secure resources necessary to progress the scheme.

2 RECOMMENDATIONS

- 2.1** That the Chief Education Officer
- 2.1.1** agree and approve the proposed commissioning of 'Professional Services' for the West Lea School expansion project by utilising the already existing contract between the Council and Matrix SCM, from the following companies:
- DHP (UK) LLP Architects Multi-disciplinary Service – Architect / Principal Designer / Mechanical & Electrical Services Engineering / Structural & Civils Engineering
 - Stace LLP – Quantity Surveying
- 2.1.2** agree that the Council's Corporate Maintenance & Construction Team shall be responsible for:
- managing the above resources on a day-to-day basis and;
 - progress reporting/delivery outputs to the Council's Schools and Children's Services department
- 2.1.3** agree and approve that other specialist consultants and surveyors may be sourced via Matrix SCM, as necessary

3. BACKGROUND

- 3.1** The June 2015 programme of projects (KD 4079) was approved to rectify and eliminate repairs in terms of high technical priority for consideration in 2015/16, 2016/17 and indicative projects in 2017/18. The report also noted that the 2015/16 'Maintenance Grant' allocation for Enfield was much higher than expected and a further report would be provided to identify the strategy for the allocation of additional maintenance grant received. Officers have now had time to evaluate the most effective strategy for maximising the benefit of the additional maintenance grant.
- 3.2** The October 2015 Cabinet report (KD 4141) on pupil place planning and delivery sets out a range of delegated authorities for various aspects of the planning and delivery of additional education capacity in the borough. Authority is delegated to the Chief Education Officer and the Director of Finance, Resources and Customer Services for decisions on the "procurement of any required support services" and "appropriate procurement routes for professional support services and construction" for projects.
- 3.3** A decision is now required on engaging professional services through Matrix SCM to review feasibilities and start the design phase for the delivery of West Lea School expansion, condition works and to undertake the requisite survey work to consult with the various stakeholders in order to submit a planning application through to implementation and commissioning. In order to deliver

followed by a much larger Main Contract for expansion, remodelling and refurbishment of the existing West Lea School by September 2018.

7. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

7.1 Financial Implications

7.1.1 The new block, partial rebuild and expansion of special provision at West Leas School is included in the 2016/17 to 2018/19 Proposed Programme of works contained within Cabinet report KD4303 and, as such, is to be funded from DFE School Condition Grant.

7.1.2 VAT Recovery

The council is generally able, under the provisions of S33 of VAT Act 1994, to recover VAT incurred in relation to its provision of statutory education. The Council can recover VAT incurred in procuring the necessary supplies to facilitate and ensure the provision of statutory education at West Lea School. Therefore, the council can recover VAT incurred towards the school expansion project subject to the condition that the council procures/contracts for the works, receives the supplies, receives a VAT invoice in its name and pays with its own funds (corporately owned or grant funds awarded to the council).

7.1.3 Partial Exemption

Historically, schools contribute less than .4% exempt input VAT to the Partial Exemption calculation. Therefore, this project is not expected to have any significant impact on the council's partial exemption position.

8.2 Legal Implications

8.2.1 Section 111 of the Local Government Act 1972 ("LGA") gives a local authority power to do anything which is calculated to facilitate, or is conducive or incidental to the discharge of any of its functions and the Localism Act 2011 provides the Council power to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. In addition, section 112 of the LGA permits the appointment of such officers that the Council deems necessary for the discharge of its functions. The proposals set out in this report are consistent with this power.

8.2.2 The Council also has a general power of competence in section 1(1) of the Localism Act 2011. This states that a local authority has the power to do anything that individuals generally may do provided it is not prohibited by legislation.

8.2.3 The Council proposes to source the services from DHP (UK) LLP and Stace LLP via its vendor neutral resources provider; Matrix SCM. To this end, the Council must ensure it complies with its Constitution and the terms and conditions of the already existing contract with Matrix SCM.

this, approval is sought to progress, based on the proposed "Engagement of Professional Services" as set out in this report.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1** The professional services required cannot be provided in-house as there are no longer the skills or capacity within the Council staff teams.
- 4.2** The professional services required could be procured via frameworks or through competitive tendering, using either a pre-vetted list of consultants, but neither of these options enable direct call off. Conducting either mini-competition through a framework or a tender exercise would add time and potential delay the early engagement required with the construction works framework.
- 4.3** The works could be procured via frameworks available to the Council; these were last reviewed in November 2015 and none are considered to provide an advantage over the recommended procurement strategy.

5. REASONS FOR RECOMMENDATIONS

5.1 Professional Services

- 5.1.1** The Council currently has a contract in place with Matrix SCM (a neutral vendor service) for the provision of temporary agency staff (amongst other things). Matrix SCM allows construction consultants to act as supply agents and provide placements for technical staff working on specific capital projects. The hourly rates have been benchmarked and the target hours have been agreed based on benchmarked consultants' fee rates.
- 5.1.2** DHP (UK) LLP Architects ('DHP') will be a new Matrix SCM placement and has been selected to provide Architect / Principal Designer / Structural & Civil Engineering – Mechanical & Electrical Services.
- 5.1.3** Quantity surveying services are to be provided by Stace LLP who has an existing placement with Matrix SCM.
- 5.1.4** Other specialist consultants and surveys will be procured as necessary throughout the duration of the project, in accordance with the Council's Constitution and the terms and conditions of contract already in place with Matrix SCM.

6. Works

- 6.1.1** The key drivers for the engagement of the professional services are time and cost specifically. There is also the requirement for consultants to continue to work with the governors at West Lea School to expand its current pupil role number by September 2018 and to decant students to the former Meridian School site in Dysons Road, Edmonton by July 2017 with the scheme costs to be reviewed to ensure best value. In response to this, the proposal is for the works to be carried out in the former Meridian School in Dysons Road by the beginning of July 2017;

- 8.2.4 Any legal agreements arising from the matters described in this report must be approved in advance of contract commencement by the Assistant Director of Legal and Governance Services.

9 Property Implications

- 9.1 This report proposes the engagement of professional services, and so does not have direct property implications.

10 Procurement Implications

- 10.1 The proposed use of the Council's vendor neutral resources provider; Matrix SCM for specialist services must be in line with the Council's Contract Procedure Rules, the contract with Matrix SCM and any other applicable Council policies.

11 KEY RISKS

- 11.1 The use of Matrix Direct mitigates the risk that the skills required for professional services are not available. To control spend, target hours and rates have been agreed based on benchmarked consultants fee rates. Spend will be regularly monitored against project milestones delivered.

12. IMPACT ON COUNCIL PRIORITIES

12.1 Fairness for All

- 12.1.1 The for the school expansion programme is delivering local school places to parents across the borough. Decisions in this report will facilitate the delivery of school and education projects that increase capacity and therefore access for communities.

12.2 Growth and Sustainability

- 12.2.1 The Borough needs to ensure appropriate infrastructure is in place to allow for the growth of the population.

12.3 Strong Communities

- 12.3.1 The provision of good quality schools helps to ensure a stable strong Community.

13. EQUALITIES IMPACT IMPLICATIONS

- 13.1 The provision of local schools across the borough ensures quality of rights to good education provision

14. PERFORMANCE MANAGEMENT IMPLICATIONS

- 14.1 School expansions have only been undertaken in schools which are either good or excellent in terms of OFSTED ensuring high quality provision.

Background Papers

None.

MUNICIPAL YEAR 2016/2017 REPORT NO.

MEETING TITLE AND DATE:

Portfolio Decision of Cabinet
Member for Health and Social Care

REPORT OF:

Director of Health,
Housing and Adult Social
Care

Agenda – Part: 1**Item No.****Subject:** Procurement of Independent Health
Complaints Advocacy Service**Key Decision Number:** 4443**WARD:** non specific**Cabinet Member Consulted:** Cllr Alev
Cazimoglu**Contact officer and telephone number:**

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1. EXECUTIVE SUMMARY

- 1.1 This report presents the proposal to participate with other London Councils in a joint procurement of the Independent Health Complaints Advocacy Service. From 1st April 2013, local authorities are responsible for commissioning the service. The Department of Health allocates funding for this service.
- 1.2 From 2013 Enfield Council has been collaborating with 25 other London boroughs to procure the service, under a two year plus two consecutive one year term Framework Agreement.
- 1.3 The current Framework provider is VoiceAbility Advocacy Ltd and this Framework Agreement is due to expire on 31st March 2017. Up to 24 participating authorities have so far agreed to re-procure the service through a similar collaborative Framework to be in place from 1st April 2017. The London Borough of Southwark will be leading on the procurement exercise and participating boroughs will share the cost of procurement and contract management.
- 1.4 A business case was submitted to the Procurement and Commissioning Review Board on 4th October 2016 outlining this proposal and approval has been given to go-ahead.
- 1.5 Further information is provided in Part 2 of this Report.

2. RECOMMENDATIONS

2.1 That approval is given to:

- i) Participate in the collaborative procurement of the Independent Health Complaints Advocacy Service with the Councils listed in the attached Appendix I – A of this Part 1 Report and sign a Participation Agreement with Southwark Council, the Lead Authority.**
- ii) Pay the London Borough of Southwark a contribution towards the cost of the procurement exercise and contract management and administration as proposed in Appendix II - A of Part 2 Report.**
- iii) Sign a call-off contract (Service Agreement) with the winning bidder following the completion of the tender exercise and procure the Independent Health Complaints Advocacy Service via the call-off contract commencing from 1st April 2017, pursuant to the terms and conditions of the Framework Agreement and subject to availability of funding.**

3. BACKGROUND

Introduction, background and overview

- 3.1 This Key Decision Report seeks approval of the proposal to participate with other London Councils in a joint procurement of the Independent Health Complaints Advocacy Service (IHCAS).
- 3.2 The Health and Social Care Act 2012 made local authorities responsible for commissioning the Independent Health (NHS) Complaints Advocacy Services starting from 1st April 2013. The Health Complaints Advocacy Service is a service user-centred, flexible service that supports and empowers anyone who wishes to resolve a complaint about healthcare commissioned and/or provided by the NHS in England.
- 3.3 The London Borough of Enfield was one of 26 London Councils that came together to establish a Framework Agreement with a selected single provider in order to fulfil the statutory requirement. The process of this first Pan-London procurement was led by the London Borough of Hounslow. The Framework was let to VoiceAbility Advocacy Limited (a charitable advocacy organisation) after the completion of the competitive process. The duration of the existing Framework is for 4 years (including extensions) starting from 1st April 2013 and it is due to expire on 31st March 2017. A replacement service is required to be in place from 01 April 2017.
- 3.4 A working group of commissioners and procurers from the current consortium of London boroughs has been meeting to discuss a range of options in relation to the procurement of the service including a repeat of the Pan-London joint procurement.
- 3.5 The current service model is well regarded and working well. Performance of the current provider is good and has even been able to deliver some savings within the contract period.
- 3.6 The working group has therefore recommended for a similar joint procurement to take place. A business case was submitted to Enfield's Procurement and Commissioning Review Board on 4th October 2016 outlining this proposal and approval has been given to go-ahead.
- 3.7 Based on this, work has been underway with the new lead Borough, Southwark Council.

Budgetary information

- 3.8 Information is provided in Part 2 Report.

Current performance and value for money

- 3.9 The service is delivered to Enfield residents through a Service Agreement called-off from the Framework Agreement. Enfield Council pays the provider for its locally delivered service. Payment is split in to two: i) core cost that is shared with all participating boroughs apportioned on the basis of the level of the Department of Health's grant allocation and, ii) tariff cost, payment of which is based on the number of cases handled by the provider.
- 3.10 A group of officers from the participating boroughs has been monitoring the delivery of the Framework via quarterly meetings. Each borough also received performance data report every month on their local services before payments are authorised.
- 3.11 Performances varied across the London boroughs in the past three years. Average number of direct advocacy cases for the majority of the London Councils has been around 100 a year. Enfield's average up-take over the past three years has been 112 a year.

Business case summary

- 3.12 The Health Complaints Advocacy Service is a statutory service that Local Authorities are required to put in place. It is believed amongst the participating boroughs in the London consortium that a service across multiple boroughs is more cost effective and deliverable for a very mobile population in London than setting up individual contracts in each borough.
- 3.13 The current service is designed to provide a comprehensive system with a local personal approach to handling complaints. Potential providers will need to demonstrate proven track record, capacity and competence to deliver and a focus on resolving complaints locally.
- 3.14 It is expected that the Department of Health will continue to provide grants for this service during the coming years to support Councils with commissioning and procuring the service.
- 3.15 There are a number of advocacy providers that operate either regionally or nationally that specialise in advocacy only. Seven to ten organisations currently provide the Health Complaints Advocacy Service in most parts of England. Four providers competed during the 2012/13 tender out of seven that had shown interest at the time.
- 3.16 Further information is provided in Part 2 Report.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The Health Service Complaints Advocacy Service has to be independent of the local authorities. This will rule out the possibility of providing this service in-house.
- 4.2 With regard to procuring the service from an external provider, the following alternative options were considered prior to this proposal:
- i) A single borough and single service contract: this option is not cost-effective for the Council and does not encourage potential suppliers due to lack of economies of scale.
 - ii) A single borough and multiple service contract: it was looked at whether Enfield can wrap up all its advocacy services, i.e. this (independent health service complaints advocacy), the independent mental capacity advocacy/deprivation of liberty safeguards, the independent mental health advocacy and the care and support (Care Act) advocacy services and procure them alone. This option could not be considered as Barnet, Enfield and Haringey's three-borough joint contract is currently in place for delivery of the independent mental capacity/deprivation of liberty safeguards and the independent mental health advocacy services. The three boroughs have agreed to extend this contract until 2018 (the first extension out of two one year consecutive extensions). Barnet and Haringey are also part of the Pan-London consortium and no change to the tri-borough collaborative arrangement is envisaged in the near future given the three boroughs share mental health trust/services and patients move across the boroughs. In addition, this approach would not have been cost-effective as well as the budget that is currently available for all of these services is not sufficient to fund all of the services under a single borough contract.

5. REASONS FOR RECOMMENDATIONS

- 5.1 This recommendation is made because this service is a statutory requirement and other options have been explored and rejected. Reference should also be made to Section 4 above.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

6.1 Financial Implications

6.1.1 Please see Part 2 Report.

6.2 Legal Implications

6.2.1 Section 1 of the Localism Act 2011 permits the Council to do anything that individuals generally may do provided it is not prohibited by legislation and subject to Public Law principles. The Health and Social Care Act 2012 (by way of amendment of the National Health Service Act 2006) made local authorities responsible for commissioning the Independent Health (NHS) Complaints Advocacy Services, commencing 1st April 2013. The proposed arrangements to be put in place are in accordance with these powers.

6.2.2 Provided the framework (incorporating the call – off contracts to be taken from it) have been procured in accordance with the Public Contracts Regulations 2015 (“the Regulations”), there should be negligible, if any risk, in actioning the recommendations, as detailed in the report.

6.3 Property Implications

6.3.1 There are no property implications involved.

6.4 Procurement Implications

6.4.1 The Council's Contract Procedure Rules (CPR) allow participation in Framework Agreements with other local authorities or public sector bodies providing the internal governance and legal requirements are met.

6.4.2 Collaborative procurement is a useful way of reducing procurement cost through sharing resources, lowering delivery cost through the use of economies of scale.

6.4.3 Collaborative procurement is the best way of attracting providers and suppliers that are specialists in a given field and organisationally capable to deliver services flexibly.

6.4.4 The Council will need to ensure that resources are allocated in order to properly monitor outcomes of the call-off Service Agreement.

7. KEY RISKS

- 7.1** An identified key risk is that the procurement timetable may take longer than expected and the Framework may expire before a new contract is in place. The framework agreement is for a maximum of 4 years and cannot be extended. The call off contract between the contractor and each Council is also for a maximum 4 years, including the extension periods. The call off contract does however contain a variation provision in clause 24, so it is possible (although not ideal) to vary the contract (Service Agreement) period by extending it for a few months pending completion of the procurement. This should only be used as a last resort.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

The provision of independent health complaints advocacy service will contribute towards the Council's aim of serving the whole borough fairly.

8.2 Growth and Sustainability

This arrangement will enable the Council continue delivering the independent health complaints advocacy service for its residents at competitive prices and achieving efficiency savings and expanding services.

8.3 Strong Communities

The service will contribute towards the Council's objective of empowering people and its communities by allowing residents to take control of the services they receive.

9. EQUALITIES IMPACT IMPLICATIONS

This arrangement will not have any adverse equality impact because all sections of the community will have access to the service. Therefore, no equality impact assessment was carried out.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1** The delivery of an NHS complaints advocacy will help the Council achieve better outcomes in its performance management and assessment. Giving residents the opportunity to have a greater voice in regards to the service they receive is essential part of public services.

11. HEALTH AND SAFETY IMPLICATIONS

There is no direct Health and Safety implication for the Council. Any Health and safety issue relating to the service will be addressed via the Framework Agreement.

12. HR IMPLICATIONS

No HR implications for Enfield Council.

13. PUBLIC HEALTH IMPLICATIONS

- 13.1 This contract should deliver the same service as is currently being provided or better with some indication it might be cost-saving. It will therefore have little direct additional impact on the health of the public save safe-guarding other provision through releasing funding.

Background Papers

1. Current contract/Framework Agreement.

APPENDIX I-A

LONDON BOROUGHS PROPOSING TO PARTICIPATE IN A FRAMEWORK AGREEMENT ARRANGEMENT TO PROCURE THE NHS COMPLAINTS ADVOCACY SERVICE AS PER THE HEALTH AND SOCIAL CARE ACT 2012 (final list to be confirmed when all sign the Participation Agreement)

London borough of Barking & Dagenham
London borough of Barnet
London borough of Brent
London borough of Bromley
London borough of Camden
London borough of Ealing
London borough of Enfield
Royal Borough of Greenwich
London borough of Hammersmith & Fulham
London borough of Hackney
London borough of Haringey
London borough of Havering
London borough of Harrow
London borough of Hillingdon
London borough of Islington
Royal Borough of Kensington & Chelsea
Royal Borough of Kingston Upon Thames
London borough of Lambeth
London borough of Merton
London borough of Redbridge
London borough of Southwark
London borough of Tower Hamlets
London borough of Wandsworth
London borough of Westminster

