

Procuring a 'Host' to support Local Involvement Networks



About this guide

This guide is part of a series aimed at helping make LINKs successful. This guide is designed to help Local Authorities understand issues relating to the procurement process for contracting a suitable Host organisation to support their local LINK.

Background

Local Involvement Networks (LINKs) will be set up in England from April 2008 to give communities a stronger voice in how their health and social care services are delivered. Independent networks of local people and groups, LINKs will find out what people want, investigate issues and use their powers to hold services to account.

Each Local Authority (with social services responsibilities) has received funding for LINK activities. Each authority is expected to contract a 'Host' organisation to establish and support a LINK in the Local Authority area. LINKs are independent of any government organisation with their own decision making and governance processes. The Host is accountable to the LINK.

Key Points

- Appoint a 'Host' as soon as possible – but get the procurement process right in order to appoint the right Host. The Department of Health's 'Getting Ready for LINKs' guidance will tell you how.
- The 'Host' organisation must have the capacity to build upon existing networks and arrangements.
- Decide whether OJEU (Official Journal of the European Union) rules apply.
- A 'two-stage' process is a good way to test the market and manage risk.
- Tailor your tender specification to your local needs.
- Ask well directed questions in the tender and group key questions into categories. Specify the obligations of the Host, and acceptance of those obligations.
- Be clear about how the tender responses will be evaluated and who will be involved.
- Give clear feedback to unsuccessful organisations.
- Observe the 'Alcatel Ruling' period and award the contract in line with Government Regulations and Directions.

What is the role of the Host?

The role of a 'Host' organisation is to enable, support and facilitate the activities of a LINK.

- Encourage and support more people to get involved in shaping local care services; from helping to decide what services should be commissioned, to influencing the way they are run.
- Actively canvas every section of the community for their views and experiences of local care services.
- Provide the community with a mechanism for monitoring and reviewing local care services and the ability to hold them to account.
- Tell those who commission, run and scrutinise local care services, what local people have recommended to help improve services.

The role of the Host includes recruiting people and groups to the LINK, helping to establish governance arrangements, making administrative arrangements in respect of LINK activities, keeping financial records and communicating the activities of the LINK and their outcomes to local communities.

When does a Host need to be in place?

Patient Forums will be abolished in March 2008 and LINKs will begin to be established from 1 April 2008. It is the responsibility of Local Authorities with social services responsibilities to ensure that LINK activities take place, through an 'arms length' Host organisation, and Local Authorities have received funding for the period 2008 to 2011 to do this.

To ensure that LINKs can begin their work straightaway, Local Authorities that have not been able to procure a Host by 1 April must make 'transitional arrangements' to support LINKs. These transitional arrangements can last until September 2008 and can include the Local Authority itself acting as 'transitional Host', bringing local people and groups together to begin to plan and carry out LINK activities. So, although a Host should be procured as soon as possible, it's important to try to get the procurement process right in order to appoint the right Host.

Who can apply to become a Host?

Any competent and relevant organisations can apply to become a Host. The kinds of skills that potential Hosts should be able to demonstrate include:

- a robust organisational skills base;
- a background in health and social care networking or an ongoing commitment to develop and learn; and
- clear links to representative networks of local community, statutory and voluntary sector groups, people who use services and individuals with an interest in health and social care services.

What local networks could a Host connect with?

Local Authorities need to be sure that Hosts build upon existing networks and community development arrangements. A list¹ of the kinds of networks that Hosts might work with includes:

- Individuals who use services
- Carer networks
- Service user and carer support groups
- Older people's forums
- Patient groups
- Self advocacy groups
- Primary care networks
- NHS Trusts
- Social care providers
- Minority ethnic groups
- Faith groups
- Employers and business groups
- Youth councils
- Tenants groups
- Individuals

Does the Official Journal of the European Union process apply?

It depends – and there are arguments for and against. Some may argue that the procurement of a LINK Host relates to a 'Part B social care process' – and so wouldn't be captured by these requirements. However, the Host doesn't directly provide social care – rather governance and administrative support to a LINK. Also, according to EU legislation, all contracts in the public sector which are valued above a certain threshold should be published in the Official Journal of the European Union (OJEU). Currently, this applies to contracts over £144,400 – and this sum covers all of the three year contract period. Also the Treaty of Rome seems to reinforce the OJEU requirement. So, on balance, the OJEU process seems to be a reasonably cost effective way of providing wide advertising coverage of a tender for a LINK Host – but, at the end of the day, it's up to each Local Authority to decide.

Can Local Authorities jointly procure a Host?

It is possible for a number of authorities to work together to jointly procure a Host to support more than one LINK. This is because there may be circumstances where there are clear benefits to neighbouring LINKs to share the same support arrangements; for example, when neighbouring authority areas share health and social care service provision.

'One stage' or 'two stage' approaches to the contract?

After advertising contracts there are slightly different approaches that councils can take to awarding contracts. The 'one stage' process goes straight to tender, whilst

¹ This list is illustrative only.

the 'two stage' process involves a pre-qualifying questionnaire followed by an 'invitation to tender'. The 'one stage' process is likely to be shorter, but the 'two stage' process provides a mechanism to test the market for responses and provides better risk management.

Pre-qualification questionnaire

A Pre-Qualification Questionnaire (PQQ) would be issued as a first step in competitive selection under the UK Public Contracts Regulations 2006. The PQQ should set out contract requirements for the provision of Host services for a LINK and normally covers reasonably detailed instructions, background information on the requirement for a Host, and details of the approach the council will take to evaluating responses and issuing invitations to tender.

Devising the tender specification

Use the Department of Health's document 'Getting Ready for LINKs: Contracting a Host organisation for your Local Involvement Network' as a starting point. In 'tailoring' your specification to your local needs, try to strike a balance between over prescription – which could potentially constrain the activities of the LINK – and enough structured questions to make sure that duties and responsibilities are understood. For example, amongst other things, you could encourage the prospective Hosts to proactively:

- scope a preliminary health and social care 'needs profile' for the area – to find out how far the respondent understands particular local needs;
- model a local representation network – who they have connections with, who they will connect with; and
- commit to producing a 'gap analysis' in the future – to find out how to improve local networking.

Invitation to tender

Wide ranging questions with many variables don't usually work well. Rather the questions asked should be well directed and easy to understand. It's a good idea to group key questions into categories. The tender should try to specify the obligations of the Host, and acceptance of those obligations. In this way the Local Authority can hold the Host to account for future performance. Key issues covered could include²:

- core responsibilities of the Host;
- core skills of the Host (technical, analytical and facilitative);
- governance and organisational role of a Host;
- organisational eligibility and profile;
- funding, business plan, and fiscal accountability;
- equal opportunities and employment policies;
- insurance policy;
- accessibility of Host premises;
- criminal record disclosure;
- contract timescale; and
- contract monitoring and management details.

² This list is illustrative only.

The process should be designed to build the bidders confidence in the probity of the process, and provide people with tools to properly evaluate the details of the responses.

Evaluating the tender

There are a number of ways of evaluating a tender, For example, the tender could be evaluated by an 'evaluation panel', and can be followed by a 'presentation stage' to a larger audience of stakeholders so that more local people can get involved. Be aware that there could be 'conflict of interest' issues here – since it seems difficult to see how voluntary sector, or other organisations, could be involved in both evaluation and bidding for the Host contract. Councils should think about the makeup of their 'award panel' and are strongly encouraged to include local people as part of the process. After all, the Host will be supporting the LINK and local people and groups that will make up the LINK should be able to have a voice in the selection of the Host.

In scoring the evaluation it's important to pay attention to the agreed weighting criteria, both in order to arrive at a decision, and to be able to explain that decision to unsuccessful candidates in any debriefing session.

Completing the contract

A court judgement called 'the Alcatel Ruling' requires a 10 day standstill period before a final contract can be awarded. Contracts should be signed in accordance with LINKs Regulations, which were published on 5 March 2008 (http://www.opsi.gov.uk/si/si2008/uksi_20080528_en_1)

Procurement in Practice³

A Local Authority decides that the EU Public Procurement Directive applies and advertises a Host contract through the OJEU. They quickly test the 'Host' market, finding that 13 organisations express an interest in becoming a Host. To comply with DH guidance, to satisfy the Local Authority that bidders understood their future commitments and to allow for clear evaluation of tenders, the council asks a broad range of clear detailed questions in their Pre-Qualification Questionnaire (PQQ).

The PQQ clearly sets out their assessment criteria for the Host including: financial standing; technical and service quality competence; environmental, equal opportunities and race relations considerations; accessibility, health and safety; experiences and references; insurance; CRB disclosure, and a list of supporting documentary evidence. Importantly, the authority set out how these, and other criteria, would be weighted in the assessment phases.

After reviewing the PQQ responses, four organisations are invited to tender. The tender clarifies the obligations of the Host, giving a clear indication of how their responses would be weighted and asks a broad range of direct 'single issue' questions which are grouped in themed categories. For example, one question asks

³ This is an illustrative example only. Different authorities will have different process and procurement drivers, and so may adopt different tendering approaches

'how you would establish a LINK that properly represents the needs of the area and what your anticipated outcome for this plan would be – be clear in your submission how you would engage with black and minority ethnic communities and other marginalised groups'. Bidders are also asked to 'map a local health and social care 'need profile'; map the network of representative contacts they have access to; and commit to a future 'gap analysis' to ensure ongoing commitment to improvement.

Members of the Evaluation Panel individually scored each tender response. Then they arrived at a common shared weighted score, reflecting their collective understanding of the health and social care, commissioning, and probity environments. A wider range of stakeholders – to incorporate a wider and more representative perspective – were then involved. Bidders were invited to give presentations to the Panel and other stakeholders about 'the value their organisation would add to a LINK?' The 15 minute presentations were followed by question and answer sessions. After feedback from these sessions, the Panel revisited their original weighted scores, and a final decision was made.

The council debriefed the organisations who didn't succeed in this round of tendering in order to develop the future Host market in later rounds of procurement. They also provided all tendering organisations with their own organisation's weighted score, the maximum possible score of the evaluation, and the score of the 'winning' organisation. After observing the Alcatel 'standstill' period, the contract for the LINKs Host was awarded.

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A simple explanation of LINKs

www.direct.gov.uk/localinvolvementnetworks

Lessons from nine 'Early Adopter' projects around England

<http://www.nhscentreforinvolvement.nhs.uk/docs/EAPS%20final%20report.pdf>

Information about Government policy

www.dh.gov.uk/patientandpublicinvolvement

Further Information

The Department of Health has published documents that provide information and guidance about contracting a Host:

http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_077266

The Local Involvement Networks Regulations 2008

http://www.opsi.gov.uk/si/si2008/uksi_20080528_en_1

The Official Journal of the European Union (OJEU) provides some background information on OJEU:

http://www.ojec.com/Help/Help_OJEU.aspx

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