

Accommodation and infrastructure options

1. Issue

1.1 Healthwatch Essex will this autumn be incorporated as a not-for-profit corporate body and will continue to develop its operating model and staff team. This will need a range of infrastructure requirements, such as office accommodation, legal, finance, HR functions and IT support.

1.2 The officer team have conducted an options appraisal of accommodation and infrastructure for Healthwatch, based on an initial assessment of immediate and longer-term requirements. Executive members are asked to consider and endorse the recommendations set out in paragraph 4 and the process for procuring in paragraph 5 (Next steps).

2. Background

2.1 In preparation to establish Healthwatch Essex as a corporate body, the recent focus of activity has been on developing the legal governance. This included the formation of a governance Task and Finish group to make recommendations to ECC on Healthwatch Essex Pathfinder's preferred legal and governance model. On the agreement of these, a final decision on the formation of the new organisation will be taken by ECC Cabinet at the end of October.

Healthwatch Essex will then need to quickly put in place infrastructure required to support the running of the new independent organisation. The current Healthwatch Essex officer team have been reviewing the options for providing this infrastructure support in the short, medium and long-term.

3. Options considered

3.1 A range of options have been considered, and the existing infrastructure support provided by the LINKs host organisation has provided a useful 'baseline' or comparator for consideration. The two main options considered are:

- a. To set up Healthwatch Essex entirely independently, procuring individual infrastructure requirements from a variety of private or third sector companies/organisations as required;
- b. For Healthwatch Essex to 'co-locate' with an existing third sector organisation, including purchase of a full or partial package of infrastructure support.

4. Recommendations

4.1 The team have undertaken a review and scope of the possible options for the provision of infrastructure support. The main consideration is the need to establish this support promptly to coincide with the ECC Cabinet decision at the end of October. The team also evaluated the risk of delay and the impact upon reputation and credibility, as well as the issue of value for money.

4.2 Option (a) is **not** recommended, for the following reasons:

1. The team undertook a search for accommodation, HR and legal/finance support, viewed possible accommodation and met with various business support services. It is considered that the process to identify possible providers and the associated costs will require future and detailed investigation, which is beyond the capacity of the current staff team. This presents a major risk of failing to acquire all the support required on time and at the best price, especially in the context of our developing operating model. This approach may well be a longer term goal, which would provide increased independence and may then represent better value for money.

4.3 Option (b) is **recommended**, but for an interim period no more than **12 months** from the date of Healthwatch Essex assuming statutory status (April 2013), for the following reasons:

1. The team put out an request via the Essex Third Sector CEO Forum for expressions of interest from organisations interested in providing office accommodation (co-location), including shared services such as finance and HR. We have had 2 positive expressions of interest, including ecdp, to provide a complete infrastructure package. The team was unable to identify any commercial providers who were able to provide a full 'package' of infrastructure support.

2. This option would be quick to put in place reducing any risk of delay. It would also signal a change of approach from the existing LINKs, by working closely with our voluntary-sector partners.

3. Initial cost estimates for this option also compare very favourably with the current provision and with the alternative of independently-procured providers of infrastructure services.

4. The two expressions of interest would provide good access to parking, transport links and onsite meeting space, and good access for members.

5. It is also recommended, given the unusual circumstances of the transition from LINK to Healthwatch, that the current host organisation, Parkwood, be invited to tender for provision of accommodation and infrastructure for Healthwatch.

5. It is recommended that Healthwatch Essex procure this option for fixed-term, interim period of no longer than 12 months, which would provide time to investigate the market further and to prepare a full option appraisal for the procurement of a longer-term solution. This appraisal will take into account the importance of Healthwatch being seen to be fully independent.

5. Next steps

5.1 The next step will be to send out an invitation to tender, which will include a detailed specification for what is required, details of the criteria for assessment, and a deadline for quotes to be returned. It is recommended that a Task and Finish Group comprising a number

small number of members and officers review the quotes based on the specification and assessment criteria, and recommend a provider.

5.2 It is important to note that as the Chair of the Healthwatch Essex Pathfinder has a potential conflict of interest as the CEO of ecdp, he will not be involved in the invitation process/specification, the T&F group or final decision. The final decision should be made by T&F group, which should include the Chief Executive Tom Nutt and the Vice-Chair on behalf of the Executive.

Andy Payne and Thomas Nutt, 14th September 2012.