Notice of Non-Key Executive Decision

Subject Heading:	Permission to Direct Award the Community Pharmacy Services Contract via Process B of the NHS Provider Selection Regime Toolkit
Decision Maker:	Mark Ansell, Director of Public Health
Cabinet Member:	Councillor Gillian Ford, Lead Member for Adults and Health
ELT Lead:	Kathy Freeman, Strategic Director of Resources
Report Author and contact details:	Alain Rosenberg Commissioner- Live Well Alain.rosenberg@havering.gov.uk
Policy context:	These contracts support Havering Council to meet its People Theme priorities of ensuring that people are helped to live independent, socially connected and healthier lives as set out in the Corporate Plan 2022/23 – 2026/27. Stop Smoking projects are part of Havering's Health and Wellbeing Strategy priorities and Partnership agenda to reduce smoking-related harms and reduce inequalities caused by smoking across the borough.
Financial summary:	Funding for the Community Pharmacy Services Contract is from the Office for Health Improvement & Disparities (OHID) to Havering. This funding is part of the government's national commitment to achieve a smoke free generation by 2030 by supporting local authorities to enhance their stop smoking provision. The grant will be made available under section

	31(3) and section 31(4) of the Local Government Act 2003 For 2025/26, the Council has been allocated a grant of £315,741 to support local authority led stop smoking services, £75,000 of which will be allocated to this contract. The contract will be delivered by community pharmacies in Havering and the total expected cost of the contract per annum is £75,000. The Community Pharmacy contract is structured on a payment-by-results model, rewarding providers for achieving successful quit outcomes. Claims for payments via the Pharmoutcomes platform and are made quarterly in arrears. Over a 5-year period (1+4), the expected value of this contract will be a maximum of £375,000.00. Extensions to the contract will be agreed annually in line with the grant funding received.
Relevant Overview & Scrutiny Sub Committee:	People's Overview & Scrutiny Board
Is this decision exempt from being called-in?	***The decision will be exempt from call in as it is a Non key Decision***

Non-key Executive Decision

The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well X

Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To agree to Direct Award a Community Pharmacy Services Smoking Cessation Contract via Direct Award Process B of the NHS Provider Selection Regime Toolkit as set out in this report. The Smoking Cessation Service will have an initial term of 1 year from 6th September 2025 to 5th September 2026 and 4 optional 1-year extensions.

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3 Responsibility for Functions of Havering's Constitution

Section 3: Functions Delegated to Officers

Part 3.3.4c Specific Powers of the Director of Public Health

General powers

To exercise all rights and functions reserved to the Director of Public Health by statute on behalf of the Council.

(a) To take responsibility for all the Council's public health functions.
(b) To oversee all services relating to the public health function.
(c) To provide information and advice on public health matters.
(d) To provide services and facilities designed to promote healthy living.
(e) To provide services and facilities for the prevention of illnesses.
(f) The exercise of the local authority function in the National Health Service Act 2006 as amended.
(g) To authorise Patient Group Directions on behalf of the Council

2. The Director of Public Health shall be entitled to exercise those powers detailed at 3.3.3 above but provided that such functions shall only be exercised in respect of areas directly affecting Public Health.

3. Paragraphs 4.1, 4.2 and 5.2 (of 3.3.3 above) shall be subject to a financial limit of £500,000

STATEMENT OF THE REASONS FOR THE DECISION

This report seeks approval from the Director of Public Health to Direct Award the Community Pharmacy Services Contract via Direct Award Process B of the NHS Provider Selection Regime Toolkit.

Background

To enhance local provision, community pharmacies were commissioned to provide a face-to-face stop smoking service aimed at reducing smoking prevalence, particularly in more deprived areas of the borough. Face-to-face services had been shown to be more accessible and effective for adult smoking cessation. The NHS Long Term Plan, which included the reduction of smoking as a key objective, recommended a seamless and effective pathway between health and community stop smoking services as part of its implementation of NHS tobacco

dependence treatment services. The service was an 18-month pilot program which was evaluated, and the findings from this scheme informed future service provision.

The pilot service was jointly funded from the public health grant and the NHS Integrated Care Board (ICB) with £42,500 (50%) each from public health and the ICB through North East London (NEL) Inequality funding allocation. Five community pharmacies were selected via a restricted procurement exercise and were awarded 18-month contracts that expired on 5th September 2024. This contract was then extended by another year and will expire on 5th September 2025.

Smoking Data

Smoking is the leading cause of avoidable ill health such as cancer, heart and lung diseases and also results in premature deaths. In Havering, the number of smokers has recently shown an increase reversing previous trend. Office of Health Improvement and Disparities, OHID data show that in 2022 15.9% of Havering residents smoked, compared to 11.7% in London and 12.7%, England. Also more males, 22.5% smoked compared to females, 8.5%. Available data point to clear inequality of impact caused by smoking with rates higher amongst disadvantaged groups, routine and manual workers and among those with serious mental illness (SMI) as well as those facing drug and alcohol addiction challenges. The high rates of smoking within these groups further compound the negative impacts on their health, social and financial wellbeing including any drug and alcohol addiction challenges they may be facing.

Reducing smoking within these groups and in the wider population will therefore improve overall health and wellbeing. In addition, given the prevailing high cost of living, quitting smoking will provide additional benefit in terms of savings made to incomes.

Reducing tobacco harm remains a key prevention priority outlined in the Havering Health and Wellbeing strategy and actions to reduce smoking are focused on

- supporting smokers, in particular vulnerable groups, men as well as pregnant women, to quit
- reducing inequality in access to stop smoking service provision and
- providing equal support to reduce smoking for those with mental health conditions (achieve parity of esteem with physical ill health)

To improve local provision community pharmacies will be commissioned to provide a face-to-face stop smoking service to reduce smoking, particularly in the more deprived parts of the borough. The face-to-face service has been shown to be more accessible and more effective in stopping smoking among adults. The NHS Long Term Plan, which includes reducing smoking as one of its key ambitions, recommends a smooth effective pathway between health and community stop smoking services as part of its roll out of the NHS tobacco dependence treatment services.

The Service

The Community Pharmacy Service will run from 6th September 2025 to 5th September 2026 at a maximum value of £75,000 with the option to extend for up to 4 more years up to a maximum of £375,000 dependent on ongoing funding from the Office for Health Improvement & Disparities (OHID) to Havering.

The service will offer an enhanced stop-smoking service that builds upon existing cessation support by leveraging established relationships and providing a wider variety of cessation aids. Based on recent customer interaction with pharmacies and the demonstrated interest in the rollout of Varenicline, it is anticipated that there will be increased levels of customer engagement at each of the community pharmacies.

The service will be provided for a maximum of 12-weeks smoking cessation programme, with the offer of behavioural support, very brief advice and information, Nicotine Replacement Therapy (NRT), and Varenicline. Varenicline will be offered in line with the patient group direction (PGD) to eligible clients. The service will be flexible and tailored to individual needs and in accordance with national standards and best practice including NICE and NCSCT guidelines. The service will be provided to those meeting the specified inclusion criteria. Clients not meeting the inclusion criteria should be signposted to a suitable commissioned pathway.

All pharmacies were invited to participate in this contract. An expression of interest was sent out on 19th August 2025. The opportunity to express interest will open periodically, meaning that any pharmacy can indicate their wish to be considered during the life of the agreement. This ensures ongoing access for all pharmacies wishing to express interest, maximising the reach and inclusivity of the services provided.

The current pharmacies that have expressed an interest and their location are as shown below:

	Pharmacy	**Location**
1.	Healthcare Pharmacy	Elm Park
2.	Ardleigh Green Pharmacy	Ardleigh Green
3.	Crescent Pharmacy	Gooshays
4.	Mim Pharmacy	Romford Town
5.	Asvacare Ltd Pharmacy	Rush Green and Crowlands
6.	Orchard Village Pharmacy	Rainham and Wennington
7.	Bencrest Chemist	Hornchurch
8.	Britcrown Pharmacy	Hornchurch
9.	Bows Chemist	Rainham
10.	Elm Park Pharmacy	Hornchurch
11.	Maylands Pharmacy	Hornchurch

All pharmacies that have expressed interest will be reviewed against the established eligibility criteria, which include meeting the required standards and completing all necessary training such as the Varenicline PGD training. The first six Pharmacies listed in the table above that have satisfied all criteria at 6th September 2025 will be issued a contract. Other interested pharmacies will receive contracts once they have fulfilled the criteria, including completion of the required training..

However, as funding is limited, uptake will be closely monitored. If expenditure is predicted to exceed or does exceed the financial envelope, the service may need to be suspended in order to maintain budgetary constraints. Furthermore, poor or non-performance by any contracted pharmacy may also result in the service being ended for that provider.

NHS 10 Year Plan

Community pharmacies are poised to play a vital role in the Labour government's 10-year Neighbourhood NHS Plan.

The NHS 10-year plan envisions a substantial expansion of pharmacy services, integrating them more fully into primary care and public health initiatives. This involves leveraging pharmacies' accessibility to provide clinical services, promote healthy lifestyles, and contribute to the prevention and management of long-term conditions. The plan specifically focuses on empowering pharmacists, connecting them to the Single Patient Record, and utilizing digital tools to enhance patient care and streamline service access. This vision for a neighbourhood health service aims to drive the Labour government's disease prevention agenda and foster collaboration among healthcare professionals.

Non-key Executive Decision

The UK Government's Plan for Change, launched in July 2025, marks a pivotal shift in NHS strategy. It aims to decentralize care by establishing Neighbourhood Health Centres, bringing diagnostics, mental health, rehabilitation, and nursing services closer to communities. These centres will operate evenings and weekends and include pharmacists as core members of multidisciplinary teams. This model directly aligns with the NHS's ambition to:

- Shift care from hospitals to community settings.
- Empower local health professionals, including pharmacists, to deliver personalised care.
- Utilise outreach and door-to-door services for early illness detection, reducing pressure on GPs and A&E.

By delivering services at a local, community level, residents will have enhanced opportunities to effectively manage their health conditions, fostering a culture of disease prevention and significantly contributing to their overall health and well-being.

Grant Funding

The Council has been allocated a grant from the Office for Health Improvement & Disparities (OHID). This funding is part of the government's national commitment to achieve a smoke free generation by 2030 by supporting local authorities to enhance their stop smoking provision. The grant will be made available under section 31(3) and section 31(4) of the Local Government Act 2003

For 2025/26 the Council has been allocated a grant of £315,741 to support local authority led stop smoking services, £75,000.00 of which will be allocated to this project for the first year of this 1+4-year contract. This is a one-year contract with the option to extend for an additional four years. This structure is due to the annual allocation of funding from the Office for Health Improvement and Disparities (OHID), which may be subject to change.

The Community Pharmacy contract is structured on a payment-by-results model, rewarding providers for achieving successful quit outcomes. This approach encourages high-quality, patient-focused care, with pharmacies incentivised to meet performance thresholds such as a 30% quit rate. Pharmacies are paid upon demonstrating the achievement of pre-agreed outcomes for service users.

Payment Structure

Intervention Type	Service Component	Payment Trigger	Payment Amount
Varenicline	Consultations	Initial consultation	£30
		Additional consultations (5 maximum, fortnightly)	£15
	Supply of Varenicline	Varenicline supply (12 weeks)	£144
Smoking cessation programme	Consultations	Registration & First Appointment	£15
		Follow-up consultation	£12 per follow-up consultation (7 maximum, includes 4 week and 12 week quit outcome appointments)

		Bonus per patient for a CO verified 4 week quit	£30
	Dispensing NRT	Administration to pharmacy per NRT product, payment per NRT item	£1.50 admin per NRT product £15 per NRT item

Procurement Route
Under PSR Process B, this contract will be directly awarded, reflecting the availability of multiple providers across Havering. Each year, contracts will be renewed subject to grant funding from OHID, which has committed resources for smoking cessation services up to 2028–29. However, as OHID allocates support through annual grants rather than fixed long-term funding, the continuation of contracts depends on yearly approvals and shifting national priorities. Demonstrating impact and the capacity to respond to future funding changes is therefore essential. The Council will conduct an annual review of Community Pharmacy contracts to monitor performance and assess suitability for delivering preventative services to residents.

This yearly review process ensures that contracts are made available to all 44 pharmacies currently operating within Havering. In August 2025, each pharmacy was contacted by email and offered the opportunity to participate in the service, with the same approach to be repeated in August 2026.

The community pharmacy services contract meets the outlined criteria for a Direct Award under Process B of the Provider Selection Regime for the following reasons:

(a) Patient Choice
The criterion of patient choice is demonstrably fulfilled in Havering. Patients are given the autonomy to select from any participating pharmacy within the borough, without imposed limitations or restrictions by the relevant authority. This unrestricted choice ensures fair and equitable access to essential pharmacy services, including but not limited to smoking cessation, thereby upholding the principle of patient empowerment and enhancing service accessibility for the entire community.

(b) Unrestricted Number of Providers
There is no restriction placed upon the number of providers eligible to participate. All pharmacies located in Havering were proactively invited to engage with the service. The authority maintains an open and inclusive approach, permitting any pharmacy that meets the stipulated requirements to participate. This approach guarantees that the number of available providers is determined solely by the pharmacies' willingness and capability to meet the service criteria.

(c) Contracts Offered to All Compliant Providers
Contracts are systematically offered to all providers who meet the service requirements. The process is underpinned by a standardised offer sheet and acceptance protocol, which ensures transparency and equity. Any pharmacy demonstrating compliance with the set requirements whether regulatory, operational, or clinical is awarded a contract, thereby supporting competition, quality, and comprehensive coverage across the borough.

(d) Arrangements for Providers to Express Interest
Effective arrangements have been established to enable providers to express their interest in participating. Pharmacies were contacted directly via email on the 19th of August 2025 with an offer sheet and detailed instructions outlining the participation process. A subsequent follow-up email was sent on the 28th of August to reinforce visibility and opportunity, ensuring that all potential providers were aware of the open invitation and could respond accordingly. This two-

stage communication strategy demonstrates the authority's commitment to inclusivity and proactive engagement.

(e) No Framework Agreement Concluded
The procurement process does not seek to conclude a framework agreement. Instead, individual contracts are retained with each participating pharmacy. There is no dynamic purchasing system or overarching framework in place; each agreement is distinct, ensuring flexibility and direct accountability between the authority and each provider.

Recommendation:
It is recommended that the Council approves the direct award of the Community Pharmacy Services contract via process B of the NHS Provider Selection Regime Toolkit. The Community Pharmacy service is designed to be highly accessible, offering convenient, walk-in support without the need for appointments making it easier for individuals to get the care they need, when they need it. This essential service can only be provided by registered pharmacies. No other providers are authorised or equipped to deliver this level of community-based pharmaceutical care, ensuring that patients receive expert support from trusted, regulated professionals. Located in areas of significant deprivation, pharmacies provide essential services to residents with the greatest needs, particularly those facing limited access to transportation.

OTHER OPTIONS CONSIDERED AND REJECTED

Option 1: End the Current Service
This option is not advised as failure to provide the stop smoking service in community pharmacies may pose legal risks for the Council with respect to delivery of its mandated responsibility for stop smoking provision; and risks with respect to the potential impact on health implications for smokers and associated social and financial implications. OHID has given specific requirements for the expenditure of grant allocation. Ending the service will also raise the risk of Havering not meeting its stop smoking targets set out by OHID.

Option 2: Do Nothing
This option is not advised as the current contracts are due to expire on 5th September 2025. For the financial year 2025/26, OHID has given specific requirements for the expenditure of grant allocation and the expectation is that this will be spent on local community-based stop smoking services. The absence of a locally accessible, community-based smoking cessation service would negatively affect residents within Havering. As the community pharmacies are situated within the borough's more deprived wards, the availability of community-based interventions represents a crucial step towards mitigating health inequalities.

Option 3: LBBD service
This option proposes that the London Borough of Barking and Dagenham (LBBD) deliver the pharmacy service as an integral component of their Advisor-Led specialist stop smoking service. This specialist service possesses expertise in conducting outreach programs within LBBD and has recent experience working with Havering residents, demonstrating signs of performance improvement. However, a challenge exists regarding the current lack of available staff to adequately meet the needs and provide a local community-based service to fully meet the needs of those Havering residents who smoke. The LBBD service was not recommended for delivering community pharmacy provision due to several critical limitations: it lacks sufficient staffing to support a locally tailored service for Havering residents, does not offer the same level of accessibility as community pharmacies located in deprived wards, and poses legal and strategic risks under the Health and Social Care Act 2012 and OHID grant conditions, which require funding to support local, community-based stop smoking services. Despite some

performance improvements, there is no assurance that LBBD can scale effectively without compromising service quality.

PRE-DECISION CONSULTATION
None

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER
Name: Alain Rosenberg Designation: Commissioner Signature: *ARosenberg* Date:03/09/2025

Non-key Executive Decision

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

Under Section 12 (1) of the Health and Social Care Act 2012, each local authority must take such steps as it considers appropriate for improving the health of the people in its area.

The Council has the power to procure and award this contract under Section 111 of the Local Government Act 1972, which allows the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council also has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by this decision.

The services are Relevant Services for the purposes of The Health Care Services (Provider Selection Regime) Regulations 2023 (PSR) and the award must comply with the requirements of the PSR.

As set out in this report, notwithstanding that the services are not prescribed patient choice services, the procurement meets the criteria set out in PSR Regulation 6(4) (Direct Award Process B) and the Council must therefore follow that process. The award process set out in the body of the report is compliant with the Direct Award Process B requirements.

For the reasons set out above, the Council may award the contracts.

FINANCIAL IMPLICATIONS AND RISKS

This report seeks approval from the Director of Public Health to Direct Award the Community Pharmacy Services Contract via Direct Award Process B of the NHS Provider Selection Regime Toolkit.

For 2025/26, the Council has been allocated a Public Health Smoking cessation grant of £315,741 to support local authority led stop smoking services, up to £75,000 of which will be used to fund the first year of the Community Pharmacy Service.

The contract will run from 6th September 2025 to 5th September 2026 with the option to extend for 4 more years (reviewed annually) up to a maximum value of £375,000 dependent on ongoing funding from the Office for Health Improvement & Disparities (OHID) to Havering.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have 'due regard' to:

(i) The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
(ii) The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
(iii) Foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

An EqHIA (Equality and Health Impact Assessment) is usually carried out and on this occasion this isn't required

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

There are not equalities and social inclusion implications and risks associated with this decision.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The recommendations made in this report do not give rise to any identifiable Environmental or Climate Change risks or implications.

BACKGROUND PAPERS

None

APPENDICES

None

Non-key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Details of decision maker

Signed

Name: Mark Ansell

Cabinet Portfolio held:
CMT Member title: Director of Public Health
Head of Service title
Other manager title:

Date: 15/9/25

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____