

## Notice of KEY Executive Decision

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|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Subject Heading:</b>                   | Permission to award the Statutory HealthWatch Service                                                                                                                                                                                                                                                                                                    |
| <b>Decision Maker:</b>                    | Barbara Nicholls, Strategic Director of People                                                                                                                                                                                                                                                                                                           |
| <b>Cabinet Member:</b>                    | Cllr Gillian Ford, Cabinet Member for Adults and Health                                                                                                                                                                                                                                                                                                  |
| <b>ELT Lead:</b>                          | Barbara Nicholls, Strategic Director of People                                                                                                                                                                                                                                                                                                           |
| <b>Report Author and contact details:</b> | Michelle Purcell, Commissioner Age Well<br><a href="mailto:Michelle.purcell@havering.gov.uk">Michelle.purcell@havering.gov.uk</a>                                                                                                                                                                                                                        |
| <b>Policy context:</b>                    | <p>Local authorities are required to commission a local Healthwatch organisation under the Health and Social Care Act 2012.</p> <p>The NHS 10 year plan recommends the proposed closure of Healthwatch England and the network of 153 local Healthwatch branches. The policy context will only continue to be relevant until legislation is changed.</p> |
| <b>Financial summary:</b>                 | <p>Total Cost for the 5 year contract is £542,403.50.</p> <p>Year 1 - £108,480.70<br/> Year 2 - £108,480.70<br/> Year 3 - £108,480.70<br/> Year 4 - £108,480.70<br/> Year 5 - £108,480.70</p>                                                                                                                                                            |

### Key Executive Decision

|                                                      |                                                                                     |
|------------------------------------------------------|-------------------------------------------------------------------------------------|
| <b>Reason decision is Key</b>                        | Yes<br>(a) Expenditure or saving (including anticipated income) of £500,000 or more |
| <b>Date notice given of intended decision:</b>       | 7 <sup>th</sup> February 2025                                                       |
| <b>Relevant Overview &amp; Scrutiny Committee:</b>   | People's Overview and Scrutiny Sub Committee                                        |
| <b>Is it an urgent decision?</b>                     | No                                                                                  |
| <b>Is this decision exempt from being called-in?</b> | No                                                                                  |

### **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**

This Report is seeking permission from the Strategic Director of People to award the Statutory Healthwatch Service contract to Havering Mind – Company Number 04184862. The contract will run from 1<sup>st</sup> April 2026 to 31<sup>st</sup> March 2027, with the option to extend for a further 4 years on a year by year basis a total value of £542,403.50.

### **AUTHORITY UNDER WHICH DECISION IS MADE**

#### **Constitution:**

#### **Scheme 3.3.3 Powers common to all Strategic Directors**

##### 1. General

1.1 To take any steps, and take any decisions, necessary for the proper management and administration of their allocated directorate, in accordance with applicable Council policies and procedures

##### 4. Contracts

4.2 To award all contracts with a total contract value of below £1,000,000 other than contracts covered by Contract Procedure Rule 16.3

### **STATEMENT OF THE REASONS FOR THE DECISION**

#### **Background**

The current commissioned statutory Healthwatch Contract is delivered by Havering Healthwatch which expires on the 31<sup>st</sup> March 2026. This service fulfils the Council's statutory obligation under the Health and Social Care Act 2012. Healthwatch acts as a consumer champion for users of health and social care services, making sure that people know where to go to raise concerns about health and social care services, ensuring people's views and experiences are heard, improving the scrutiny of health and social care services and helping local people to influence commissioning decisions.

The service is a key part of the local health and social care landscape. It holds a statutory seat on the Health and Wellbeing board sharing evidence and feedback on what people think about their health and social care services with system leaders. This ensures that services are designed around and is responsive to the needs of local communities.

While the Government has announced its intention to abolish Healthwatch services in England, no formal legislative changes have been enacted at the time of commissioning. In light of this, officers have commissioned the service on a flexible basis. The pre-procurement report had indicated a term of 5 years with 2 year extension option. However, given the uncertainty surrounding Healthwatch services, this contract has been tendered for a year with the option to extend for a further four years, annually.

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### **Service Summary**

Healthwatch serves as an independent national champion for individuals who use health and social care services, representing the full spectrum of population from birth through to old age. Healthwatch actively encourages and supports greater local participation in the commissioning, provision and oversight of care services. By empowering individuals and communities alike, Healthwatch ensures that people's lived experiences and opinions directly shape the design and delivery of future services.

The contract covers the following statutory activities:

- Promoting and supporting the involvement of local people in the commissioning, the provision and scrutiny of local care services.
- Enabling local people to monitor the standard of provision of local care services and whether and how local care services could and ought to be improved.
- Obtaining the views of local people regarding their need for and experience of local care services and importantly to make these views known to persons responsible for commissioning, providing, managing or scrutinising local care services and to Healthwatch England.
- Making reports and recommendations about how local care services could or ought to be improved. These should be directed to commissioners and providers of care services and people responsible for managing or scrutinising local care services and shared with Healthwatch England.
- Providing advice and information about access to local care services so choices can be made about local care services.
- Formulating views on the standard of provision and whether and how the local care services could and ought to be improved and sharing these views with Healthwatch England.
- Making recommendation to Healthwatch England to advise the Care Quality Commission (CQC) to conduct special reviews or investigations (or, where the circumstances justify doing so, making such recommendations direct to the CQC) and to make recommendations to Healthwatch England to publish reports about particular issues.
- Providing Healthwatch England with the data and insight it needs to enable it to perform effectively.

The provider will ensure it undertakes its duty to assist local health and social care commissioners, providers and other community stakeholders to improve services by providing feedback, research and information on residents' and patients' views and experiences of health and social care services. This data will be used to inform service transformation and ensure future provision meets the evolving needs of Havering's ageing and diverse population. The provider will use the following methods to ensure all aspects of the contract are covered.

- Community engagement
- Service Monitoring
- Gathering and Reporting Views
- Reports and Recommendations
- Information, Advice and Signposting
- Formulation of Views
- Escalation and Advocacy
- Intelligence Sharing
- Working in Partnerships, including other Healthwatch Organisations
- Attending Health and Wellbeing Board

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- Working with ICB

### **Procurement**

An open procurement process was conducted between the 29th of September 2025 and the 29<sup>th</sup> of October 2025, during which a total of three bids were received. Two out of the three bids were compliant and passed the Procurement Specific Questionnaire (PSQ) stage.

Following PSQ, the method statements from the two qualifying bidders were evaluated using the 0-5 scoring matrix. Four evaluators independently assessed the bids over a two-week period, concluding on the 13<sup>th</sup> of November 2025.

Bidders were made aware in the Invitation to Tender (ITT) that they must score a minimum of '3' in each of the quality and social value questions for their price submission to be considered. Following moderation of the bids, both bids scored a '3' or above on all questions. Therefore, as stated in the ITT their price was evaluated on a 70/30 price/quality weighting.

Havering Mind achieved the highest total score of 93.4 out of 100.00, making them the most advantageous tender and therefore it is recommended that the contract is awarded to them.

### **Tender Submission**

Havering Mind is recommended for the contract award following a competitive procurement process, having demonstrated strong capability to deliver a high-quality Healthwatch Service

### **Funding**

The funding for this contract is available on a yearly basis and is paid from the Local Reform and Community Voices grant. There is a 3% uplift built into the contract and this is in line with the yearly increase of the grant.

The total contract value is £542,403.50 and is broken down yearly as follows:

| Year 1      | Year 2      | Year 3      | Year 4      | Year 5      |
|-------------|-------------|-------------|-------------|-------------|
| £108,480.70 | £108,480.70 | £108,480.70 | £108,480.70 | £108,480.70 |

## **OTHER OPTIONS CONSIDERED AND REJECTED**

### **Option 1 - Do Nothing**

There is the option to do nothing and stop providing Healthwatch Services when the contract ends on the 31<sup>st</sup> March 2026. This option has been considered and rejected because the Council is legally required to maintain a Local Healthwatch arrangement under the Health and Social Care Act 2012.

## **PRE-DECISION CONSULTATION**

N/A

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**NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER**

Name: Michelle Purcell

Designation: Commissioner, Age Well

Signature: M.Purcell

Date: 14.11.25

## **Part B - Assessment of implications and risks**

### **LEGAL IMPLICATIONS AND RISKS**

The Council has a statutory duty to maintain arrangements for Local Healthwatch services under Section 221 of the Local Government and Public Involvement in Health Act 2007, as amended by Section 182 of the Health and Social Care Act 2012.

This duty requires the Council to ensure that a Local Healthwatch organisation operates within its area and enable local people to be involved in the commissioning, provision, and scrutiny of local care services. By awarding this contract to Havering Mind, the Council is fulfilling its statutory obligation to maintain these arrangements and upholding the legal requirement for public involvement in health and social care.

The contract has been awarded for a period of one year with four additional annual extensions to ensure the contract can be terminated should the government bring in legislation to abolish the Healthwatch.

The proposed contract value is £542,403.50 which is below the threshold for light touch service contracts under the Procurement Act 2023 (PA 2023). An open procurement procedure was undertaken, and Havering Mind were deemed to be the most advantageous tender for the Council. The tender complied with both the PA 2023 and the Council's Contract Procedure Rules.

Therefore, in light of the above, the Council may award the contract to Havering Mind.

### **FINANCIAL IMPLICATIONS AND RISKS**

This Report is seeking permission to award the Statutory Healthwatch Service to Havering Mind. The contract will run from 1<sup>st</sup> April 2026 to 31<sup>st</sup> March 2027 with the option to extend for a further 4 years on a year by year basis with a total value of £542,403.50.

The annual contract value is estimated to be £108,480.70.

The current Healthwatch contract costs £117,359 per annum and is funded from the Local Reform and Community voices grant. In 24/25 Havering's grant allocation was £144,112. This allocation fully covers the estimated annual cost of the contract.

The announcement of the community voices grant is made late into the financial year, with allocations not being known until January/February of that financial year. This gives rise to a significant risk that if the funding is not awarded to Havering then the contract would need to be funded from Adult Social care budgets which would increase the existing pressure on the Council's resources.

Following the announcement from Government that the statutory Healthwatch Services are to be abolished, this means that the funding is significantly at risk. Currently this is

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still a statutory service and there has been no announcement that the funding will stop, however if the funding stops part way through the contract year then the remainder of the contract value for that year will need to be met from existing Havering resources. It is hoped that sufficient notice will be given before the termination of any funding.

The contract has been set up a rolling year basis so that if the funding is not forthcoming the contract can be terminated. However, as noted above, with the allocations being announced so late in the financial year costs will have already been incurred for the contract within that financial year before the allocations are announced and any contractual costs would need to be met from alternative budgets.

The Healthwatch service delivers value for money by ensuring the patient voice informs service design, preventing costly inefficiencies. By embedding lived experience into decision-making, health and social care systems avoid waste on poorly targeted, ineffective, or duplicative services. Clear KPIs have been set to measure impact, and performance will be monitored regularly to provide assurance of financial accountability and demonstrable outcomes achieved.

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

The recommendations made in this report do not give rise to any identifiable Human Resources implications or risks.

## **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

Havering has a diverse community made up of many different groups and individuals. The council values diversity and believes it essential to understand and include the different contributions, perspectives and experience that people from different backgrounds bring.

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, gender, race and disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council demonstrates its commitment to the Equality Act in its decision-making processes, the provision, procurement and commissioning of its services, and employment practices concerning its workforce. In addition, the Council is also committed to improving the quality of



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life and wellbeing of all Havering residents in respect of socio-economics and health determinants.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations There are no equalities and social inclusion implications and risks associated with this decision.

## **HEALTH AND WELLBEING IMPLICATIONS AND RISKS**

The recommendations made in this report do not give rise to direct identifiable Health and Wellbeing implications or risks.

Nonetheless, the service provided through the contract will work with patients or service users to improve local care services thus will play a key role in maintaining and improving population health.

The service will obtain the views of local people regarding their need for and experience of local care services and importantly make these views known to persons responsible for commissioning, providing, managing or scrutinising local care services. The service is the only statutory mechanism to enable local people to monitor the standard of provision of local care services and will also make recommendation to Healthwatch England to advise the Care Quality Commission (CQC) to conduct special reviews or investigations as and when required.

## **ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The recommendation made in this report do not give rise to any identifiable environmental implications or risks.

## **BACKGROUND PAPERS**

None

## **APPENDICES**

None

## 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

*Delete as applicable*

Proposal NOT agreed because

#### **Details of decision maker**

Signed

Name: Barbara Nicholls

Cabinet Portfolio held:

CMT Member title: Strategic Director of People

Head of Service title

Other manager title:

Date:

#### **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 \_\_\_\_\_