

Meeting: Cabinet **Date:** 13 May 2025

Wards affected: All Torbay Wards

Report Title: Joint Recommissioning of the Local Healthwatch Contract

When does the decision need to be implemented? 1 June 2025*

*For Market Engagement to Commence

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1. Purpose of Report

- 1.1 To seek approval for the procurement and subsequent award of a contract for local Healthwatch, the independent health and social care consumer voice organisation.
- 1.2 To seek approval to once again commission this service jointly with Plymouth City Council and Devon County Council.

2. Reason for the Contract and its benefits

- 2.1 The Health and Social Care Act 2012 requires every local authority in England with adult social care responsibility to have a local Healthwatch organisation in place, acting as a consumer voice for the health and social care system. Therefore, by law, we must commission a suitable service.
- 2.2 The consumer voice organisation has an important role to play in giving public feedback on the performance of the overall health and social care system. This is used to inform strategies and practices for reducing health inequalities and improving health and wellbeing, ensuring the voices of lived experience can be independently heard.

- 2.3 As an independent third sector organisation, local Healthwatch also has a role to play in wider work to help communities to be safe, connected, and resilient, as one way in which citizens are empowered to influence their local health and social care system.

3. Recommendation(s) / Proposed Decision

- (i) That the Director of Adults and Community Services be instructed to commence the procurement process in accordance with Contract Standing Orders and Procurement policy;
- (ii) That the local Healthwatch organisation continues to be commissioned jointly with Devon, Plymouth, and Torbay under a joint contract with Devon County Council and Plymouth City Council; with Devon County Council being the Lead Commissioner.
- (iii) That the Director of Adults and Community Services , in consultation with the Cabinet Member Adult and Community Services, Public Health, and Inequalities, be delegated authority to award the Healthwatch contract to the preferred bidder.

Appendices

Not applicable

Background Documents

Healthwatch England guidance around contracting and funding Healthwatch:

[Contracting and funding Healthwatch | Healthwatch Network](#)

Best Practice Specification Example:

[20241209 - Healthwatch Anytown Service Specification Based on Brighton Hove.docx](#)

4. Introduction

- 4.1 The Local Government and Public Involvement in Health Act 2007, as amended by the Health and Social Care Act 2012, mandates that local authorities commission local Healthwatch organisations. These organisations are designed to give citizens and communities a stronger voice to influence and challenge how health and social care services are provided in their area.
- 4.2 In Devon, since 2020 the local Healthwatch has been jointly commissioned by Devon County Council, Plymouth City Council and Torbay Council; with Devon being the Lead Commissioner. This has enabled a single provider to support consumer voice activities which cover the whole Integrated Care System the three local authorities are part of.
- 4.3 This joint arrangement has enabled the local Healthwatch to work more efficiently across the system and enabled local authorities to benefit from economies of scale which would not have been possible if each Council commissioned a separate consumer voice organisation.

5. Options under consideration

- 5.1 Every local authority in England must have a local Healthwatch organisation in place by law so the options available for recommissioning in Devon were:
 - i. to recommission jointly with Plymouth and Torbay Councils again (the status quo)
 - ii. commission separate local Healthwatch organisations for Devon, Plymouth, and Torbay
 - iii. to commission on a larger scale in collaboration with either Cornwall or Somerset.
- 5.2 The third option would mean that the consumer voice organisation would have to span more than one integrated care system, an unrealistic challenge in terms of governance or effective public profile.
- 5.3 The three local authorities considered whether to recommission their local Healthwatch on an individual basis, as they did originally in 2013, or to continue with the joint arrangements which have been in place since 2020.
- 5.4 This consideration took account of the forthcoming local government re-organisation facing the three local authorities and the ongoing development of the Integrated Care System for the area covered by Devon, Plymouth, and Torbay Councils.
- 5.5 Commissioners agreed that continuing to base the local Healthwatch area on the Integrated Care System footprint was the most sustainable and strategically effective way forward. This is because all the proposed local authority boundary change options still map on to the

Devon Integrated Care System area and do not change the boundaries with Cornwall or Somerset.

- 5.6 Commissioners also agreed that recommissioning local Healthwatch on a three-authority basis would enable them to maintain the economy of scale (around 8% savings on the nationally recommended funding level) achieved by having one rather than three organisations in place.
- 5.7 The recommended option is therefore to jointly recommission the local Healthwatch organisation for Devon, Plymouth and Torbay, with a requirement that the provider is able to maintain a structure which covers the integrated care system regardless of the outcome of local government re-organisation and the resulting local authorities covering the system area.

6. Contract term and budget

- 6.1 The proposed new contract duration will be six years in duration, from 1 April 2026 to 31 March 2032, divided into two three-year sections (3 + 3) to enable a contract review mid-way through the contract period.
- 6.2 The annual value of the local Healthwatch contract for Devon, Plymouth, and Torbay for the 2026-27 will be £620,000.

The contributions to the contract from each commissioning local authority in Year One (2026/27) will be:

- Devon County Council - £384,000
- Plymouth City Council - £138,817
- **Torbay Council - £97,183**

- 6.3 The overall contract value for the six-year duration of the contract will be £3,720,000, with the Torbay element being £583,098 in total. This figure does not include any annual inflationary increases during the life of the contract, which it will be up to the three local authorities to agree annually.
- 6.4 The first year contract value is in line with the level of funding expected by the Department of Health and Social Care for a local Healthwatch organisation, for each of the three local authority areas, minus an 8 per cent efficiency saving resulting from achieved by the economy of scale achieved by commissioning jointly.
- 6.5 The contract is funded from the commissioning budgets of each local authority, using a combination of the Local Reform and Community Voices grant, which the Government pays to local authorities for that purpose, and expected local match funding specified in Department of Health and Social Care guidance.
- 6.7 The funding from Torbay for the new contract is only marginally higher than for the current contract (£95,800 for 2025/26) and is planned for in the budget recurrently.

7. Procurement routes to market

- 7.1 The Procurement will be led and managed by Devon County Council, with input from Torbay and Plymouth commissioners.
- 7.2 A full procurement process will need to be undertaken for this contract, as we are aware that there are multiple providers within the market who may wish to bid.
- 7.3 Full market engagement will be undertaken in advance of the contract being advertised. The current contract is being delivered by a consortium, and such bids would also be considered for the new contract, therefore sufficient time will be built into the procurement timeline to allow this.

8. Best value duty

- 8.2 As an independent consumer voice organisation, the impact of a commissioning local Healthwatch organisation will have little environmental impact, but the provider will be required to act in an environmentally responsible way when conducting its business.
- 8.3 The effectiveness of Healthwatch is dependent on several factors, such as strong leadership, effective staff teams, a solid volunteering base, good governance, credible evidence/information, and quality of local relationships; all of which contribute to the quality of delivery and ability to influence.
- 8.4 We have based our funding on nationally recommended minimum funding levels; therefore, the evaluation is likely to place a greater emphasis on quality and social value. The split will be agreed between commissioners for the three authorities.
- 8.4 We will use the nationally recommended specification for local Healthwatch as a foundation for our local version, to ensure that the contract delivers in line with Healthwatch England's expectations.
- 8.5 Contract monitoring will take place collaboratively between the commissioning authorities and providers. The national Healthwatch Performance Framework will be used to support regular performance monitoring and evaluation.

9. Engagement and consultation

- 9.1 Recommissioning proposals have been checked with a representative from Healthwatch England who has endorsed both the original joint model and the proposed recommissioning on a joint basis. They have also reassured us that our proposals are 'future proof' in terms of any national Healthwatch developments including a possible future move towards the national commissioning of local Healthwatch organisations and provided us with a model contract specification to adapt for local use.

10. Equality Impact Assessment

The very existence of Healthwatch as an independent health and social care consumer voice is a means of enhancing the Public Sector Equality Duty. A Full EQIA will be undertaken by the three commissioning authorities as part of the procurement process.

11. Cumulative Council Impact

11.1. None

12. Cumulative Community Impacts

12.1. None