



**COUNCIL CABINET**  
**13 March 2019**

**ITEM 14**

Report sponsor: Strategic Director of People Services  
Report author: Strategic Commissioning & Partnerships Manager

## **Healthwatch Derby Funding Arrangements**

### **Purpose**

- 1.1 There is a statutory requirement in the Health and Social Care Act 2012 for local authorities to commission a Healthwatch organisation for their locality. Healthwatch Derby fulfils a consumer champion role for customers of health and social care services. They gather the views of the public and stakeholders about local services and report to local providers and commissioners.
- 1.2 In 2012-13 the Council worked with local partners to establish Healthwatch Derby (HWD) as a private limited company by guarantee without share capital use of 'Limited' exemption. HWD has a management board with representatives from the local community and from stakeholder organisations including the Council. HWD has a seat on and reports into the Council's Health and Wellbeing Board.
- 1.3 Funding for the organisation is arranged through a Grant agreement between the Council and the HWD Board, the current agreement expires on 31 March 2019. It is proposed to award a new grant, to the current organisation or an alternative provider. This will be for three years from 1 April 2019 – 31 March 2022. The level of funding varies annually, in line with central government's funding allocation. This central government funding is yet to be confirmed for April 2019 onwards.

### **Recommendation**

- 2.1 To vary the current terms of the existing grant funding agreement with Healthwatch Derby until such time as the central government funding allocation is confirmed from the Department of Health and Social Care.
- 2.2 To approve the award of a new Grant for Healthwatch Derby or an alternative provider and updating of the existing grant agreement for the period between April 2019 (at the earliest) to March 2022, reflecting Derby's allocation from the Department of Health and Social Care.

### **Reason(s)**

- 3.1 All local authorities are required to arrange for an independent Healthwatch service that provides the statutory functions set out in the Health and Social Care Act 2012.
- 3.2 The current organisation has been developed with local partners to provide this

service, has delivered this role successfully and followed guidance set by the national body Healthwatch England to review and improve the service it delivers.

## **Supporting information**

- 4.1 Cabinet Members will be aware of the national requirement in the Health & Social Care Act 2012 that required the establishment of Healthwatch England and independent local Healthwatch organisations by 1 April 2013. The responsibility for local Healthwatch delivery falls on local authorities.
- 4.2 Healthwatch Derby (HWD) was established in 2012-13 to deliver the Healthwatch role of health and social care consumer champion, this includes:
  - a) Being a consumer champion giving local people a voice that improves and enhances health and social care provision on behalf of the people of Derby;
  - b) Providing innovative ways to engage with and include the views of all people living and working in the city, ensuring the voices of the seldom heard are included, in order to tackle inequalities and empower the local community;
  - c) Providing robust, evidence based local intelligence that helps influence key decision making for health and social care both for the city and nationally;
  - d) Be an independent respected and credible organisation that is accountable, open and transparent that will challenge service providers and commissioners when the need arises.
- 4.3 In Derby, the Health and Wellbeing Board oversaw the process of setting up HWD. Governance is provided by the HWD Board, initially established through a competitive interview process to reflect the demographic profile of the City and to provide a range of expertise and knowledge.
- 4.4 Healthwatch Derby employs 9 staff including those on temporary, project specific contracts. The staff are supported by volunteer Healthwatchers and Healthwatch Champions. The organisation is located, as an independent organisation, within the Council House to provide an appropriate, high profile city centre location.
- 4.5 The organisation is required to produce an annual report and to report any serious issues to the Care Quality Commission, Healthwatch England and local commissioners. In addition, the organisation is required to routinely provide monitoring information for inspection by the Council. Further detail can be found in HWD's annual report for 2017-18, which can be found on the Healthwatch Derby website and is available within Appendix 2.
- 4.6 To support communication and liaison with local services, the organisation is a statutory member on the Derby Health and Wellbeing Board.

- 4.7 Healthwatch England provides guidance and support to all local Healthwatch organisations, and supports involvement in national and regional projects and research. HWD is part of a small cohort of Healthwatch organisations involved in developing a national quality assurance regime with Healthwatch England.

### **Other options**

- 5.1 Not varying the current grant funding arrangements would mean the Council are not meeting their statutory duties under the Health and Social Care Act 2012.
- 5.2 The Council will consider the most appropriate commissioning options to deliver this function up until March 2022 once central government has confirmed its grant allocation, to ensure that Derby's Healthwatch provides a high quality and value for money service for the people of Derby with appropriate governance.

### **Financial and value for money issues**

- 6.1 The annual budget allocation for Healthwatch Derby in 2017-18 was £214,000 allocated as Grant funding with monitoring and claw back conditions in the event of an under spend. As the national funding allocation is unclear at present, there is a need to achieve stability of the arrangements before agreeing the terms of a new funding agreement once funding levels are confirmed.

### **Legal implications**

- 7.1 It is a statutory requirement under the Health and Social Care Act 2012 for the local authority to arrange for a local Healthwatch organisation to discharge the statutory functions of a local Healthwatch.

### **Other significant implications**

#### **8.1 Equalities Impact**

HWD are required to comply with the all equalities legislation set out in the Equality Act 2010.

##### **8.1.1 Health and Safety**

Healthwatch Derby staff operate from the Council House and therefore the Council will have some responsibility as landlord to ensure the building is fit for purpose and safe to use.

##### **8.1.2 Property and Asset Management**

There is the opportunity to provide space within the Council House for partner organisations and HWD has taken up this opportunity. The allocated space may be flexible and is subject to wider Council or other occupier priorities, it may not be guaranteed for the duration of the contract/ scheme.

### 8.1.3 Risk Management

There are no risks directly arising from this report, but risks around future budgetary constraints will need to be evaluated and monitored.

### 8.1.4 Corporate objectives and priorities for change

This Report supports the Health and Wellbeing elements of the Derby Plan.

This report has been approved by the following people:

<b>Role</b>	<b>Name</b>	<b>Date of sign-off</b>
<b>Legal</b>	Karen Griffin	21/02/2019
<b>Finance</b>	Janice Hadfield TBC	
<b>Service Director(s)</b>	Kirsty McMillan, Service Director – Integration and Direct Services	21/02/2019
<b>Report sponsor</b>	Andy Smith, Strategic Director – People Services	21/02/2109
<b>Other(s)</b>	Jenny Appleby, Strategic Commissioning & Partnerships Manager	21/02/2019

<b>Background papers:</b>	N/a
<b>List of appendices:</b>	Appendix 1    Implications

