

Cabinet Member Delegated Decision, 21 December 2017

Report title: Contract Award for a Stop Smoking Service in Lambeth

Wards: All

Portfolio: Cabinet Member for Healthier and Stronger Communities: Cllr Mohammed Seedat (Job Share)

Report Authorised by: Helen Charlesworth-May: Strategic Director for Adults and Health

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Report summary

The following report sets out the recommendation for a direct contract award via waiver to Guys and St Thomas's NHS Trust (GSTT) for the provision of a specialist stop smoking service for Lambeth residents. The contract is to be effective as of 1st April 2018 and will be for an initial duration of 2 years, with the option to extend by 1 + 1 years. GSTT will deliver a specialist stop smoking service and to work with the council, the CCG, GPs, pharmacies and the South London and Maudsley Trust (SLaM) to further offer an integrated and aligned stop smoking service offer in community pharmacies and various other sites. The new contract will see GSTT commissioned to effectively target those populations most in need and/or at risk from the adverse health effects of smoking and also to assume system leadership across the local stop smoking service offer. This service will contribute to the successful achievement of outcomes including the reduction of health inequalities locally.

Finance summary

The Council receives a Public Health grant, a ring fenced revenue grant allocated by the Department of Health to pay for health improvement services, including stop smoking services. This grant has received government-imposed reductions since 2015/16. Within the context of reduced financial resources, the Council is ensuring that the recommissioned stop smoking service offer is one which is aligned to our vision and aims to reduce health inequalities and focus services on those most in need but which also ensures that agreed savings are realised through service innovation and more efficient design and delivery.

The award of this contract will be for a value of £500,000 per annum, or £2,000,000 over the 4 year life of the contract. This revised contract value represents an overall saving to the Council of approximately 35% of the current annual spend across Lambeth stop smoking services. A proportion of the contract value, estimated at £80,000 but likely to vary annually according to actual activity/demand, will be used to sub-contract community pharmacies to deliver stop smoking interventions. The contract start date will be 1st April 2018.

Recommendations

1. To waive clause 9.2 of the Council's Contract Standing Orders for reason of Demonstrable Best Interest and Exigencies of Service.
2. To approve the direct award for the stop smoking service contract to GSTT from 1 April 2018 to a maximum end date of 31st March 2022 at a value of £500,000 per year and a maximum total value of £2,000,000. The contract will be let for 2 years, with the option to extend by 1 + 1 years.

1. Context

- 1.1 Lambeth Council has continued to commission stop smoking services in the Borough since Public Health services were transferred over to the responsibility of the Local Authority in 2013. The stop smoking service has not been formally reviewed since its transfer to the Council and as such it has been considered a priority for health improvement commissioners to carry out a review and recommissioning exercise on this service offer.
- 1.2 This review is also particularly vital given the following contextual developments which have emerged since its transfer to the Council:
 - a) Changes to local demographics (e.g. age, ethnicity, socio-economic background) of residents and a subsequent the change in needs
 - b) Advances in best practice evidence surrounding stop smoking services, including the advancement of the use of alternative aids to quitting smoking including the rise in the use of e-cigarettes and vapours
 - c) Change in financial context and the need to contribute towards the Council's savings target in light of imposed government reductions to the Public Health Grant
- 1.3 The three main causes of premature death in Lambeth are cancer, cardiovascular disease and respiratory disease. Both local and national evidence demonstrates that lifestyle factors are strongly associated with developing preventable illnesses and diseases such as those most prevalent. There is a robust evidence base nationally which demonstrates the value and efficacy which commissioning stop smoking services delivers to local populations. Supporting people to successfully quit has been proven to save resources across both health and social care institutions. Smoking continues to be where we see some of the strongest links with socio-economic deprivation and as such it is a major contributor to health inequalities. In light of this, commissioning a high quality, effectively targeted stop smoking service for those most in need and at risk from smoking is a key aim across Public Health in Lambeth currently.
- 1.4 Consultation with stakeholders began on 30th March 2017 whereby support for an integrated, stepped care approach was demonstrated with recognition that reducing resources need to be efficiently and effectively targeted at those populations most in need / at risk from smoking related ill health. The new stop smoking service model therefore works within the framework that smokers will receive the level of service and type of support most appropriate to help them to quit. The revised model will therefore include a universal level of support available to all smokers, including the promotion of self-directed care alongside a targeted offer of more specialist support for those most in need.
- 1.5 Since March 2017, commissioners have been working collaboratively with a consortium of local providers of stop smoking services (including GSTT) to co-produce a revised, integrated stop smoking service model to be in place by April 2018. Providers have engaged with commissioners throughout this process and as such have co-produced the service model which is considered to effectively meet the aims and visions as set out above.
- 1.6 Within the new offer, there will be a service element of specialist support to be accessed by smokers who are in key priority groups, which will consist of people with one or more long term conditions (including those on the mental health disease register), pregnant women and parents with children aged five or under. Many of this population cohort requiring this service will also be patients of GSTT and Lambeth based GPs. Through the co-production process undertaken, it has emerged that GSTT are best placed to deliver a specialist service whilst also assuming a system

leadership role which will include the implementation of quality assurance and workforce development across the integrated stop smoking service model. GSTT has a wealth of expertise and knowledge of delivering specialist stop smoking services along with exercising a clinical leadership and oversight role whilst facilitating reporting of data across the local system (including GP and community pharmacy).

- 1.7 Awarding the contract to GSTT for a specialist stop smoking service is considered to be in line with the Lambeth Borough Plan aims to narrow the gap and reduce health inequalities, through achieving a population health impact which will have the most positive impact upon those most clinically at risk. Working with our existing provider in this collaborative way is also considered to be aligned within Lambeth's co-operative council ambition.

2. Proposal and Reasons

- 2.1 This waiver of clause 9.2 of the Council's Contract Standing Orders is sought on the basis of demonstrable Best Interest and Exigencies of Services.
- 2.2 The commissioning intention is to implement an integrated, end-to-end stop smoking service in Lambeth as of 1st April 2018. In order to achieve this aim, the Council has worked in partnership with Lambeth CCG and with local providers, adopting a co-production approach, using the following rationale:
- Existing knowledge of the local population and related smoking health needs given that many of their patients are the target population
 - Established links and networks both locally and pan-London
 - To demonstrate commitment to working collaboratively with our providers and local stakeholders to coproduce a service which presents high quality and value for money
 - To implement a coordinated stepped care approach based on best evidence, robust referral and clinical pathways and can provide tailored intensive support to those with the most complex needs in the clinical setting most appropriate to their needs, ensuring a formal pathway between local partners including General Practice, Community Pharmacy and SLAM
- 2.3 Commissioners are committed to continuing the co-production of services with patients, carers and other key stakeholders. The co-production process will allow the Council to establish a more in depth understanding of the effectiveness and value of the service and ensure that a co-operative commissioning approach is adopted to the future development and improvement of services.
- 2.4 The direct award of the contract to GSTT on behalf of the consortium which includes primary care and mental health providers will support both Lambeth Council and Lambeth CCG's local ambition to provide better integrated care across primary and secondary care, improve patient experience and achieve better outcomes and value for money. GSTT will work with the council to competitively procure a set of community pharmacies who can support the delivery of services by offering smoking cessation services in accessible locations across the borough and GSTT will ensure the clinical oversight, contract monitoring and successful delivery of those services via a set of sub-contracts. Spend on pharmacy interventions will come from within the £500,000 per year contract envelope agreed with GSTT and is estimated to amount to around £80,000 per year. This is lower than current spend in line with the need for savings.
- 2.5 This direct award must also be viewed in the context of historical reductions to the specialist stop smoking service/contract value, which have taken place since 2016/17. Across this period the overall budget for local stop smoking services will have been reduced from approx. £1.2 million in 16/17 to a revised value in 18/19 of £500,000, representing a reduction of approximately 59%.

During this challenging period, the provider has worked with Commissioners to maintain a comprehensive offer, targeted at those most in need of support to stop smoking.

3. Finance

- 3.1 The new contract to be awarded to GSTT will be for a reduced value of £500,000 per annum. The contract's initial term will be for a period of 2 years from 1st April 2018 – 31st March 2020, with the option to extend for a further 2 years, making the total maximum spend on this contract £2,000,000 over the life of the contract.
- 3.2 Lambeth Council is facing significant financial challenges and needs to find innovative and efficient ways to deliver services in order to meet budget reduction targets set. The commissioning of a new integrated stop smoking service will ensure that savings are realised through service innovation and more efficient design and delivery.
- 3.3 The contract will be funded using Public Health Grant held in cost centre D12054. Grant funding is confirmed as available for the first two years of the contract and the break clause will enable further funding to be identified once the future of the Public Health Grant is determined.

4. Legal and Democracy

- 4.1 The authority to deal with the matters set out in this report is delegated to the Cabinet Member for Healthier and Stronger Communities.
- 4.2 The services are health and social services commissioned by the Council in the exercise of its statutory duties under the Health and Social Care Act 2012 and as such are subject to the Public Contracts Regulations. Direct contract awards are permitted under Regulation 32 if the service provider is for technical reasons the only provider capable of meeting the requirement, and in making this assessment regard should be made to the matters outlined in paragraphs 2.2 to 2.4 of this report.
- 4.3 This proposed key decision was entered in the Forward Plan on 10 November 2017 and the necessary 28 clear days' notice has been given. In addition, the Council's Constitution requires the report to be published on the website for five clear days before the proposed decision is approved by the Cabinet Member. Any representations received during this period must be considered by the decision-maker before the decision is taken. A further period of five clear days - the call-in period – must then elapse before the decision is enacted. If the decision is called-in during this period, it cannot be enacted until the call-in has been considered and resolved.

5. Consultation and co-production

- 5.1 The first of a series of consultation events on the proposals to re-design the services began in February 2017, including a dedicated workshop with the Lambeth Patient Participation Group Network. Feedback themes generally received as a result of this consultation focused around:
 - i. The need to address inequalities
 - ii. To align with the CCG and LTC pathways
 - iii. Based on best practice evidence of what works – e.g. NICE guidance
- 5.2 A workshop dedicated to the redesign of stop smoking services was held with stakeholders on 30th March 17 and saw wide representation of local clinicians, providers, CCG representatives and patient representatives. The group helped to inform the overall proposed stop smoking framework, which helped to secure buy in to the vision to make services more integrated and adopting a

stepped care approach. This approach also recognised that limited resources needed to be effectively targeted at those most in need whilst retaining a basic universal offer for accessible to all Lambeth residents that wish to quit smoking.

5.3 During this consultation there was also support for taking a co-production approach to achieve the new service offer. As such a series of co-design workshops were initiated from April 2017 with GSTT, Lambeth GP Federations, Local Pharmacy Committee, South London and Maudsley NHS, public health specialists and CCG representatives. The aim of these workshops was to facilitate and support the co-design process by which the outcome will be a revised stop smoking service model and specification to be implemented locally by April 2018 based on an a refreshed set of priorities and outcomes.

6. Risk Management

6.1 The main risks identified are as follows:

Risk	Likelihood	Mitigation
Risk of challenge from external market / providers who have not been given the opportunity through any competitive tender or market testing	Low	<ul style="list-style-type: none"> Local provider network has the existing expertise Target population for service are existing patients of GSTT, SLaM and others Service model requires a provider who has access to GP and secondary care patient records and clinical information systems to support case finding and onwards referral GSTT already provide added value through system leadership, clinical oversight, partnership data recording
Rushed process means best decisions are not taken	Low	Work has been undertaken with providers since March 2017. GSTT understand the services and local needs very well and are in agreement about the new service framework and the outcomes this service needs to achieve.
GSTT struggle to afford redundancy costs	Low	There may be some implications for current staff at GSTT however this is not considered to be unaffordable in terms of any redundancy costs and so risk is minimal.
Delay in the implementation of the service – leading to a missing of saving targets	Low	GSTT and others service leads have been part of the co-design process from the beginning and are aware of and signed up to the timescales for implementation. A project plan remains in place to help support the process/mitigate against this risk.
Unmet need associated with the reduction in capacity that will stem from the reducing contract funding and service size	Low/Med	Lambeth have signed up to the London Stop Smoking helpline which will support encouraging more able residents to self-manage. The council will also make use of national

		services/resources/campaigns like Stoptober and other web-based resources. GPs will case find the most at need individuals (those with other long term conditions) so as to ensure that maximum value is derived from the service.
The service commissioned is not found to be value for money or compliant with the requirements as set out in the specification to achieve desired outcomes.		Ongoing robust contract management will be applied across this contract in line with the quarterly contract monitoring cycle. GSTT have been collating quarterly activity and performance data on behalf of local community pharmacy and general practices which has been carried out in a collaborative and proactive way.

7. **Equalities impact assessment**

- 7.1 An equality impact assessment has indicated that this proposal will result in the commissioning of an integrated service offer that makes best use of local evidence of need and clinical expertise to adopt a universally proportionate approach. This will ensure access to an appropriate level of support for all smokers that seek this (including telephone and self-directed advice and support and new technological developments such as licensed vapes and digital apps) whilst focusing structured, intensive interventions on those populations most at risk of smoking related ill health. This is considered to have a positive impact on equalities in line with both the Council and the CCG's commitment to reduce health inequalities.

8. **Community safety**

- 8.1 Supporting people to successfully give up smoking is part of contributing to overall health and wellbeing. Smoking rates tend to be more prevalent in disadvantaged communities and areas of Lambeth, with certain populations as a result of smoking to be at higher risk of developing poor health. This service will also be expected to work as part of Lambeth's overall approach to tobacco control, including working to tackle and eradicate community problems such as the sale of illegal tobacco.

9. **Organisational implications**

Environmental

None

Staffing and accommodation

None

Procurement

GSTT is a London Living Wage employer.

Health

The service supports delivery of the co-operative Health and Wellbeing strategy and supports the Council's outcomes around reducing health inequalities as outlined in the priorities contained in the Joint Strategic Needs Assessment (JSNA).

This service is commissioned in pursuance of the local authority's duties related to the improvement of the health in the local population, the delivery of specialist Public Health advice and the continuation of health improvement services to the citizens of the London Borough of Lambeth.

10. Timetable for implementation

No	Item Description	Date
1	Report presented at Procurement Board	21 Nov 2017
2	Decision online	25 Nov 2017
3	Decision made	11 Dec 2017
3	Contract starts	01 Apr 2018

Audit Trail				
Consultation				
Name/Position	Lambeth directorate / department or partner	Date Sent	Date Received	Comments in paragraph:
Councillor Jim Dickson	Cabinet Member for Healthier and Stronger Communities (Job Share)	14/11/17	27/11/17	Throughout
Helen Charlesworth-May	Strategic Director for Adults and Health	14/11/17	11/12.17	Throughout
Ruth Hutt	Director of Public Health	14/11/17	15/11/17	Throughout
Pete Hesketh, Finance	Corporate Resources	14/11/17	29/11/17	3 and summary
David Thomas, Legal Services	Corporate Resources	14/11/17	16.11.17	4
Maria Burton, Democratic Services	Corporate Resources	14/11/17	15.11.17	Throughout
Procurement Board	Date of meeting	21/11/17		

Report History	
Original discussion with Cabinet Member	30 Nov 2016
Report deadline	N/A
Date final report sent	N/A
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	Yes
Date first appeared on forward plan	10 November 2017
Key decision reasons	Expenditure, income or savings in excess of £500,000
Background information	https://london.stopsmokingportal.com/ Public Health Services Contract Extension Waiver
Appendices	None

APPROVAL BY CABINET MEMBER OR OFFICER IN ACCORDANCE WITH SCHEME OF DELEGATION

I confirm I have consulted Finance, Legal, Democratic Services and the Procurement Board and taken account of their advice and comments in completing the report for approval:

Signature: _____ **Date:** _____

Post: Sarah McCulloch, Senior Commissioning Officer, Public Health

I confirm I have consulted the relevant Cabinet Members, including the Leader of the Council (if required), and approve the above recommendations:

Signature: _____ **Date:** _____

Post: Councillor Mohammed Seedat, Cabinet Member for Healthier and Stronger Communities (job-share)

Any declarations of interest (or exemptions granted): **NONE**

Any conflicts of interest: **NONE**

Any dispensations: **NONE**