

<p>CABINET PROCUREMENT & INSOURCING COMMITTEE</p> <p>STOP SMOKING SERVICE 1 YEAR EXTENSION: CONTRACT APPROVAL</p> <p>KEY DECISION NO. AHI S149</p>	
<p>CPIC MEETING DATE:</p> <p>5 December 2022</p>	<p>CLASSIFICATION:</p> <p>OPEN Report and Appendix</p>
<p>WARD(S) AFFECTED:</p> <p>All wards</p>	
<p>CABINET MEMBER:</p> <p>Cllr Kennedy, Cabinet Member for Health, Adult Social Care, Voluntary Sector and Leisure</p>	
<p>KEY DECISION:</p> <p>Yes</p>	
<p>REASON:</p> <p>Effects two or more wards</p>	
<p>GROUP DIRECTOR:</p> <p>Helen Woodland, Group Director for Adults, Health and Integration</p>	
<p>CONTRACT VALUE, <u>both</u> Inclusive of VAT and Exclusive of VAT (for the duration of the contract including extensions):</p>	<p>£924,271</p>
<p>CONTRACT DURATION (including extensions e.g. 2 yrs + 1 yr + 1 yr):</p>	<p>1 Year</p>

1. CABINET MEMBER'S INTRODUCTION

- 1.1 This report requests the authority to extend the City and Hackney Stop Smoking Service until 30th of June 2024. This 1 year extension will ensure continuity of a vital service for City and Hackney residents while a full recommissioning process is undertaken. This recommissioning will involve a full evidence review and service redesign, and it is important that enough time be allowed for these steps to be undertaken fully, to ensure that the new Stop Smoking Service best meets the needs of residents with the appropriate, evidenced, clinical practice. This is also in line with the Mayor's manifesto ambition to be smoke free in Hackney by 2030, as part of a healthy, happy and thriving Hackney. An effective stop smoking service will contribute significantly to this ambition.
- 1.2 The recommissioning was delayed previously due to the disruptive effects of the COVID-19 pandemic. The proposed extension will make the end of the current service align with the planned launch of the new service, ensuring smooth continuous support for residents. Given the significant importance of the Stop Smoking Service to public health within Hackney and the City it is important that there not be a gap in between the two services where this support is not available.

2. GROUP DIRECTOR'S INTRODUCTION

- 2.1. Public Health played a central role in Hackney's response to the COVID-19 pandemic. This took up a significant amount of staff time and resources, meaning recommissioning activities relating to several key services had to be delayed, including the Stop Smoking Service. Consequently, recommissioning activities are only beginning now, meaning there is not sufficient time for a full service redesign to take place prior to the currently scheduled end of service in June 2023. Issuing this extension will ensure continuity of service while the new service is researched, designed, awarded via a competitive tendering process and then mobilised.
- 2.2 The Stop Smoking Service is a central aspect of City and Hackney Public Health service offering, and significantly contributes towards the improvement of several key indicators in the City and Hackney Public Health Outcomes Framework and wider national public health initiatives such as the government's Tobacco Control Plan for England (due to be published autumn 2022). Smoking remains one of the leading causes of preventable death and disease in the UK and the main driver of health inequalities. There have also been a number of changes to the context in which the service will be procured (funding for stop smoking interventions in NHS services, developments with vaping and prescribable medications, increased pressures on related services and new ways of working due to COVID-19) which necessitate a fundamental review and comprehensive approach to the design work. This overview therefore includes a proposal to extend the existing Stop Smoking service

contract by 12 months (to June 2024). It is vital that the service redesign process be given sufficient time and staff resources to allow it to be completed fully, and that a Stop Smoking Service is available in City and Hackney while this takes place. The proposed extension will allow this to happen.

- 2.3 The new service offer will be co-designed with residents and partners, in line with the latest NICE guidance (published in November 2021) - which continues to recommend behavioural support plus medication (now including nicotine-containing e-cigarettes) as the most effective way to support smokers to quit, with support tailored to the specific needs of individual smokers. The new service will integrate with new NHS tobacco dependency treatment pathways.

3. RECOMMENDATION(S)

Cabinet Procurement and Insourcing Committee is recommended to:

- 3.1 **Agree the 1 year extension of the City and Hackney Stop Smoking Service until the 30th of June 2024 at a maximum value of £924,271 (Option 4 Below).**

4. RELATED DECISIONS

- 4.1 No Related Decisions.

5. REASONS FOR DECISION/OPTIONS APPRAISAL.

- 5.1.1 Option 4 has been recommended below on the basis that it will allow for a comprehensive service redesign to take place without disrupting the provision of the current service.
- 5.1.2 The Public Health department has been heavily involved in the borough's Covid-19 response since March of 2020. Public Health's role in the response involved significant additional delivery, such as; creating and managing the City and Hackney Health Protection Board which met weekly to coordinate the response to the pandemic at a local level, developing a local outbreak control plan, coordinating the targeted management of local outbreaks, setting up Covid-19 testing sites, setting up and running a local contact tracing system, creating a new Covid-19 data dashboard and leading key programmes to support the local pandemic response (notably mobilising a Public Health Community Champions programme and a new VCS grants programme). These initiatives, among other aspects of the local pandemic response, have been predominantly delivered using existing staff resources.
- 5.1.3 During the Covid-19 period, staff resources were utilised to prioritise the borough's pandemic response. The demand that the pandemic response put upon the Public Health team meant that the service essentially went into

business continuity in March 2020. Consequently, many procurement related activities could not take place during this period.

- 5.1.4 The disruption of the Covid-19 period caused a significant backlog in commissioning activities which is still being worked through. Additional staffing resources have been recruited to support this work and where it is safe to do so, some contracts for non-core services have been allowed to end. However, even with these measures in place it has still been necessary to prioritise and it is for this reason that a 1 year extension to the existing contract is recommended. This will allow sufficient time for the comprehensive re-procurement of this key Public Health service. An indicative timeline is attached as Appendix 1.
- 5.1.5 During the extension period, a wider review of the tobacco control strategy in Hackney will be completed. Resident and stakeholder engagement will be carried out in order to redesign a more responsive stop smoking service specification, informed by the latest evidence and best practice guidance. The one year extension will also allow sufficient time to ensure continuity of service whilst this comprehensive review and redesign process is completed. In particular, this will allow time for the insourcing of the service to be fully considered and detailed plans developed as appropriate.
- 5.1.6 Public Health is satisfied with the current performance of the City and Hackney Stop Smoking Service and there is an excellent working relationship with the existing provider. The proposed extension will ensure that a high quality stop smoking offer remains available to City and Hackney residents whilst the procurement process is completed.
- 5.1.7 With only a limited staff resource available, Public Health has taken a risk based approach to the services it prioritises for procurement. This service is currently delivered by a neighbouring NHS trust and it is unlikely that the proposed extension will be challenged. NHS providers are under considerable pressure and are prioritising the delivery of existing services. In addition, following the passing of the Health and Care Act 2022 providers are increasingly focusing on partnership working with local commissioners (changes to the provider selection regime for health, including Public Health services, are anticipated but the timetable currently TBC).
- 5.1.8 There is an ongoing business need for this service and the proposed extension will ensure that it can continue to be delivered on an appropriate legal basis. Substantial resources have gone into resolving the backlog of procurement activity that has built up but COVID-19 was a worldwide pandemic which prevented the Public Health service from delivering its planned procurement programme and this could not reasonably have been foreseen by commissioners.

5.2 ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

1. Allow the service to end and do not procure a new service	Allowing the service to end would negatively impact the health of City and Hackney residents and increase health inequalities within the borough.
2. Procure a new service via an open procurement	The current service is ending in June 2023, meaning there is not sufficient time, resources or capacity to fully redesign our smoking service taking account of the latest clinical guidance, benchmarking and the potential for insourcing ahead of this date.
3. Insourcing	The current service is ending in June 2023, this does not leave sufficient time to consider and develop the capacity to deliver this service within the Council. However, insourcing will be a central consideration of the recommissioning process for the new service to be delivered from July 2024. All aspects of the service will be assessed on whether they could be effectively delivered in house.
4. Extending the current service for another year while running a concurrent re-procurement (Recommended)	Extending the service will allow for continuity of the service for residents. This will ensure there is sufficient time for a comprehensive service assessment and redesign as part of the re-procurement process.

6. PROJECT PROGRESS

6.1 Developments since the Business Case approval.

None

6.2 Whole Life Costing/Budgets:

6.2.1 The cost of this extension will be £924,271 (Option 4 Below), of which £91,261 will be contributed by the City of London (conditional on the approval of City's DLT Board).

6.2.2 The original contract for this service was awarded via a competitive tender in 2018 for a term of 3 +1 +1 years for a total contract value of £4,100,000 including extensions.

6.3 SAVINGS

6.3.1 No savings are required from this service.

7. SUSTAINABILITY ISSUES AND OPPORTUNITIES, SOCIAL VALUE BENEFITS

7.1. Procuring Green

7.1.1 Electronic records and materials, rather than paper, are to be used by the service to reduce the environmental impact of the service. As a stop smoking service, the service will reduce the amount of litter created by people smoking. The service is still predominantly delivered online however it will consider environmentally friendly methods of transport for in-person appointments/sessions.

7.2. Procuring for a Better Society

7.2.1 Extending this service will keep an existing local provider running and bringing activity into Hackney including into local pharmacies. The contract required that all those employed by the service be paid a London Living Wage. There is the potential for this service to employ an apprentice which can be discussed with the provider.

7.2.2 The service will bring a positive economic impact in terms of reducing the number of days of employment lost to smoking related illnesses.

7.3 Procuring Fair Delivery

7.3.1 Due to the nature of this service and the fact that it is run by an NHS Trust, there is a low risk of modern slavery, as well as bribery and exploitation associated with this service.

7.4 Equality Impact Assessment and Equality Issues:

7.4.1 The service will target particular demographics and communities which evidence shows have a higher prevalence of smoking. There will be specific KPIs and numerical targets around engaging with these communities against which the service will be assessed on a quarterly basis. The service is designed to be inclusive, with different modalities of support available (online, via the phone, in person) to allow residents to access support in a convenient fashion.

7.4.2 As a stop smoking service, the service will reduce the economic impact of missed working days due to smoking related illnesses. The service works with local pharmacies, thereby bringing more activity into local Hackney and the City businesses. The service is required to pay all staff the London Living Wage.

7.5 Social Value benefits

7.5.1 Please refer to sections 7.1 - 7.4 above

8. ALTERNATIVE OPTIONS (CONSIDERED AND REJECTED)

8.1 Please refer to section 5.2.

9. TENDER EVALUATION

9.1 A timeline for the commissioning process, detailing the relevant activity, is set out in Appendix 1.

10. CONTRACT MANAGEMENT ARRANGEMENTS

10.1.1 The service will continue to have the same named Public Health Specialist and Public Health Commissioning Team Officer to engage in the day to day management of the service, including monthly catch ups with the service. Their work will continue to be overseen by a Consultant in Public Health.

10.1.2 Quarterly submission of performance reports assessed against quantified KPI targets will be required. These reports will be discussed at quarterly performance meetings between LBH, the City and the provider.

10.1.3 These meetings will provide an open forum for all engaged stakeholders to discuss and monitor continuous improvement of performance, and escalate any identified underperformance if necessary.

10.2 Key Performance Indicators:

KPI	Annual Target	Monitoring
Hackney Targets		Quarterly KPI data, narrative reports, and review meetings
Number of people setting a quit date	3000	
4 week quits (of those who set a quit date)	45%	
4 week quits CO Validated	85%	
4 week quitters followed up at 6 months with quit status established	45%	
% of those completed the Client Satisfaction Questionnaire who rate the service very good or good	90%	
No. of 4 week quitters from routine and manual occupations/ unemployed/on low income	650	
No. of quitters coming from high prevalence groups	390	
No. of quitters with mental health conditions	100	
No. of quitters with physical long-term conditions	180	
No. of quitters who are pregnant women	30	
City Targets		
Number of relevant City of London staff trained in Level 1/Very Brief Advice training	12	
Number of City of London clients setting a quit date	222	
Number of City of London 4-week quitters	100	

11. COMMENTS OF THE GROUP DIRECTOR OF FINANCE AND CORPORATE RESOURCES

- 11.1 The recommendation of this report is to agree to extend the current contract for the City and Hackney Stop Smoking Service for a further a year, until the 30th of June 2024. The contract extension is required to ensure continuity of the service whilst undertaking a recommissioning of the Stop Smoking Service, which involves completing a detailed evidence review and service redesign.

- 11.2 The total cost for the contract extension is £924k, of which £91k is funded by the City of London (conditional on the approval of City's DLT Board). The remaining contract cost of £833k has been factored into Public Health commissioning plans, and will not result in a budget pressure for the Council. As reflected in the section 5.3 above, there is a risk of an additional cost pressure relating to 2022/23 AfC uplifts, which is yet to be confirmed. The service would need to ensure if the risk does materialise, any costs would need to be contained within the Public Health Budget.

12. VAT Implications on Land & Property Transactions

- 12.1 This service extension does not involve any property transactions and there are no VAT implications.

13. COMMENTS OF THE DIRECTOR LEGAL, DEMOCRATIC & ELECTORAL SERVICES

- 13.1 The current contract for the Stop Smoking Service contract expires on 30th June 2023 and this Report sets out the reasons why it has not been possible to undertake a procurement process to continue service provision following such expiry. Therefore it is proposed to extend the current contract with the service provider whilst the Council undertakes a substantive procurement exercise for future service provision.
- 13.2 Contract Standing Order 4.3ii. states that where a proposed variation to a contract is not provided for within the contract, and the total cost of the contract exceeds the relevant public procurement threshold, the Director or Group Director shall obtain written authorisation from the Director of Legal and Governance to proceed with the variation in accordance with Regulation 72 of the Public Contracts Regulations 2015. Following representations to her, the Director of Legal, Democratic and Electoral Services has given her authorisation for this contract extension and therefore Cabinet Procurement and Insourcing Committee is permitted to agree to the recommendations in this report.

14. COMMENTS OF THE PROCUREMENT CATEGORY LEAD

- 14.1 This report concerns a one year extension to an existing contract with Whittington Health NHS Trust for the delivery of the City and Hackney Stop Smoking Service. The interim extension is proposed as delays to commissioning activity related to the COVID-19 pandemic and the capacity of the service to resolve the backlog of activity that has developed mean that procurement cannot now be completed within the required timeframe.

- 14.2 The total cost of the contract, inclusive of the proposed extension is above £2M, therefore under the Council's Contract Standing Orders approval must be sought from Cabinet Procurement and Insourcing Committee via a written report.
- 14.3 The value of the service is also above the relevant public procurement threshold (Public Contract Regulations 2015, Social and Other Specific Services 'light touch' regime). Therefore there is some risk of challenge to extending the contracts without competition. However, the limitations on the market to respond, and on internal public health expertise to progress the service redesign at present, appear to provide reasonable justification for this course of action when compared with the alternative options considered.
- 14.4 Suitable KPI are in place for the extension period and sustainability deliverables are noted including payment of the London Living Wage.
- 14.5 The requested extensions cover the period up to the end of June 2024. Recommissioning is to be progressed following the timeline provided. Upon extension, modification notices must be published as required in accordance with the regulations for transparency purposes.

APPENDICES

Appendix 1 - Stop Smoking Service Procurement Timetable

EXEMPT

No exemptions apply to this report.

BACKGROUND PAPERS

None

Report Author	Suhana Begum Senior Public Health Specialist suhana.begum@hackney.uk
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Comments for and on behalf of the Director, Legal, Democratic and Electoral Services	Patrick Rodger Senior Lawyer patrick.rodger@hackney.gov.uk 020 8356 6187
Comments of Procurement Category Lead	Timothy Lee Category Lead (Health and Social Care) timothy.lee@hackney.gov.uk 020 8356 7782

Appendix 1 - Timeline of Procurement Process:

Activity	Description	Indicative time required	Notes
Research and Design	Building on existing research on both service need and service delivery	August 2022- November 2022	Activities to include the following: CLearR self-assessment Tobacco JSNA refresh Evidence review Benchmarking
Stakeholder Engagement and Co-design	Engagement with key stakeholders including residents, high prevalence group representatives and current service providers	October 2022- January 2022	Activities to include the following: Engaging with residents through quantitative surveys, focus groups and workshops Working with VCS partners to engage high prevalence groups Engaging with the current service providers Engaging with other providers e.g. Homerton and ELFT
Specification Writing and Tender Documents Drafting	Writing the spec on the basis of the above, draft the tender documents and outline the required outcomes	November 2022- April 2023	To overlap with the stakeholder engagement phase, but documents will not be finalised until all stakeholder engagement activities have been concluded and collated
Business Case	Business case to go to HPB/CPIC	May 2023	This report will go to HPB/CPIC in May 2023 having received signoff from various stakeholders, and will include an options appraisal based on the information gathered in the research/stakeholder engagement processes.

Tender	All documents finalised and published on the portal	May 2023- August 2023	Tender stage to be followed by expert evaluation
Contract Award	Contract award report to go to HPB/CPIC	September 2023	Award report to be written and will go to HPB/CPIC in September 2023
Mobilisation	6 months of mobilisation scheduled	September 2023- March 2024	A sufficient mobilisation period to ensure a smooth transition to the new service/provider.
Contingency Time	3 Months of contingency time to account for any potential delays throughout the commissioning process	April 2024-June 2024	