



Mayor and Cabinet

Stop Smoking Contract – Authority to Procure

Date: 6 July 2022

Key decision: Yes.

Class: Part 1

Ward(s) affected: All

Contributors: Executive Director of Corporate Resources/Director of Public Health/Commissioning Team (Addictions)

Timeline and Engagement

10th October 2018 – Mayor & Cabinet. Contract award for the Stop Smoking Service
2nd March 2021 COVID-19 Related Extensions Report

Outline and recommendations

The Mayor and Cabinet are recommended to agree to officers undertaking an open tender exercise to procure the following service:

Stop Smoking Contract for a period of three years from January 2023 with an option to extend for up to a further two (one + one) years

The total contract value over 5 years would be £1,842,780

This contract is fully funded through the 2021/22 grant from Public Health England.

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1. Summary

- 1.1 The London Borough of Lewisham commissions a range of services to create a system to meet the treatment needs of those with addiction problems.
- 1.2 In June 2021 Mayor and Cabinet extended a number of contracts that included the Stop Smoking Contract, this was due to the fact that re-procurement had been unable to proceed because of the impact of Covid-19 response and recovery process. The Stop Smoking Contract extension was agreed for a further year and will expire on 31st December 2022.
- 1.4 This report summarises the work undertaken and makes recommendations regarding the procurement approach which consists of an open tender exercise leading to the award of a three-year contract with two one-year extension options

2. Recommendations

- 2.1 It is recommended that The Mayor and Cabinet agree to officers undertaking an open tender exercise to procure the following service:
 - Stop Smoking Contract for a period of three years from January 2023 with an option to extend for a further one + one years at an annual contract value of £368,556 per year, with a total contract cost over 5 years £1,842,780

3. Policy Context

- 3.1 The Stop Smoking Contract supports the delivery of the Council's Corporate Strategy 2018-2022 through 'Delivering and defending: health, social care and support', particularly the focus on ensuring that 'Healthy lifestyles are increasingly a way of life across all of our communities'.
- 3.2 The Lewisham Health and Well Being Strategy 2013/23 has been developed by Lewisham's Health and Wellbeing Board (HWB) and sets out the improvements and changes that the board, in partnership with others, will focus on to achieve the board's vision of achieving a healthier and happier future for all. Preventing the uptake of smoking among children and young people and reducing the numbers of people smoking, reducing the number of emergency admissions for people with long-term conditions, and promoting a healthy weight, are all priorities identified in the Health and Well Being Strategy.
- 3.3 Although smoking prevalence has reduced there are higher rates of smoking in Lewisham than London and England. Approximately 1 in 7 people in routine and manual occupations still smoke. There are currently about 34,483 adult smokers in Lewisham with a high proportion who are heavily dependent, such as pregnant women, people with long term conditions and people with mental health problems. Smoking is a contributory factor to the main causes of death in Lewisham and it is the single largest factor associated with health inequalities. Smoking-related inequalities are also evidenced by the very high prevalence of smoking in adults with serious mental illness in Lewisham (estimated at 29.7% in 2019/20 – 1 in 3 people with long term mental illness)
- 3.4 Lewisham has a higher rate of smoking related hospital admissions and early deaths due to smoking than the London average. Babies and children exposed to a smoky atmosphere are more likely to need hospital care in the first year of life. Passive

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smoking can put children at an increased risk of sudden infant death syndrome (SIDS), developing asthma or having asthma attacks when the condition is already present, middle ear infection, and coughs and colds. In households where mothers smoke, for example, young children have a 72% increased risk of respiratory illnesses.

- 3.5 The estimated local societal cost of smoking for Lewisham is £132.28m each year, including £11.13m on the NHS and £5.42m on local authority funded social care directly attributable to smoking. This is broken down below.
- 3.5.1 Healthcare: Smoking both causes and exacerbates long term health conditions and is the leading cause of preventable death and disease in England. The total annual cost of smoking to the NHS across Lewisham is estimated at £11.13m (£4.38m due to excess smoking-related hospital admissions and £6.75m due to treating smoking-related illness via primary care services).
- 3.5.2 Productivity: Smokers take more sick leave from work than non-smokers and smoking increases the risk of disability and premature death. It is estimated that £53.40m of potential wealth is lost from the local economy in Lewisham each year as a result of lost productivity due to smoking.
- 3.5.3 Social care: Smokers are more likely to require care later in life as a result of smoking-related illness. Each year this costs society in Lewisham an additional £7.4m (of which £4.1m is funded from the local authority social care budget, the remainder from private funding).
- 3.5.4 Further costs to society related to smoking include those accrued from house fires (estimated £1.68m annually in Lewisham), littering (46kg of waste daily) and tobacco expenditure (smokers in Lewisham spend £67.8m on tobacco products each year).
- 3.6 The total 'cost per quitter' of the specified service is £593.1. This cost per quitter benchmarks extremely favourably against neighbouring boroughs, where costs can be as high as £1,342 per quitter.
- 3.7 Costs per quitter compares with an average **annual** cost to the locality of each individual smoker of £1,773. Over the life course the costs to Lewisham will be many multiples of this. This figure is an average per smoker in the borough, and given the vulnerable groups targeted the figure for each smoker the service engages with will be considerably higher.
- 3.8 The service is highly targeted to reduce health inequalities and to support high risk groups to quit.
- Pregnant women
 - People with a mental health condition
 - People with a long term condition
 - Parents of asthmatic children
 - People from the lowest socio-economic status including the unemployed, retired, long term sick and routine and manual workers

4. Background

- 4.1 The Prevention, Inclusion & Public Health Commissioning Team commissions a range of services to meet the needs of those with addiction problems and to reduce harm to society as a whole.

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- 4.2 The Lewisham Stop Smoking Service (SSS) is an addiction treatment service, which assists 1000 dependent smokers to quit annually and is currently delivered by Lewisham and Greenwich Healthcare Trust (LGT) for £368,556 per annum with a further £221,000 per annum allocated for medication costs.
- 4.3 Consultation on Public Health services with the public and professionals in 2017 identified smoking cessation as a high priority. In addition to this consultation showed the highest support for a mixed model of stop smoking service delivery, incorporating face-to face, on-line and phone or text messaging support.
- 4.4 Officers have been working collaboratively with the current provider on a wide ranging service redesign, which offers according to need specialist 1-2-1, group interventions and text support. As part of this process a range of options were considered including different mixes of delivery by the specialist team, by GPs and pharmacists and remotely, which will enable the service to maintain its overall reach within the current financial envelope.
- 4.5 The service is also in the very early stage of piloting the use of E-Cigarettes (Vapes), current research has shown that when combining expert face-to-face support, people who used e-cigarettes to quit smoking were twice as likely to succeed as people who used other nicotine replacement products, such as patches or gum. The current service provider along with officers will monitor the outcomes of these pilot over the next few months.

5. Current Provision

- 5.1 In the first 3 quarters of 2021-22 the service helped 651 people to quit smoking. It is worth noting that during this quarter, the stop smoking service achieved the highest number of quits for this period in the past 4 years (225 vs 220, 219, 218).
- 5.2 The total number of referrals across the service has increase from 1190 at this stage last year to 1861, with increases in referrals across nearly all referral sources.

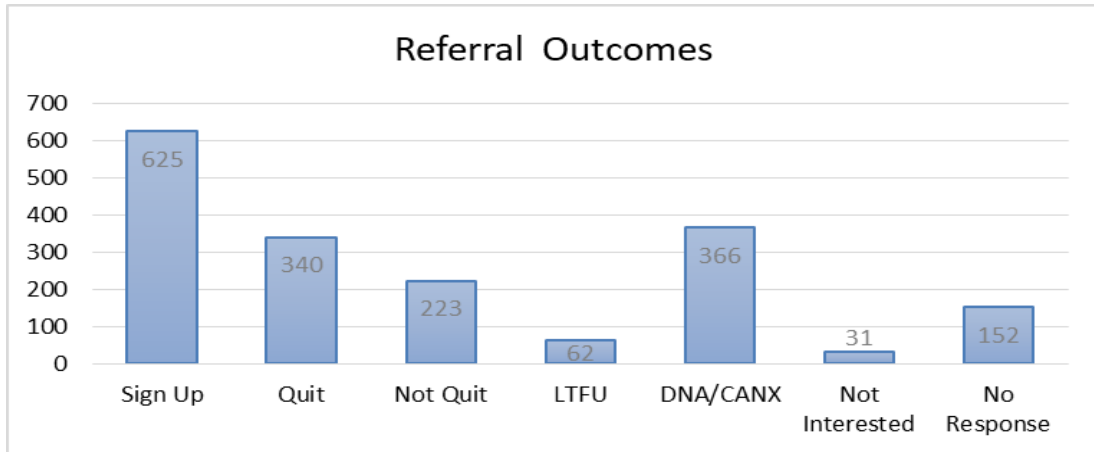
	Q1	Q2	Q3	Total
Total	424	407	417	1248
Referrals				
GP referral	145	139	152	436
Self-referral	139	121	121	381
LGT OPT	39	33	47	119
GSTT	25	19	22	66
SLAM	24	23	14	61
Humankind	13	23	14	50
Kings	9	20	15	44

- 5.2.1 Of these referrals, 50% sign up to the service and 54.4% of those attending the service successfully quit. The self-referral group has the highest uptake at 58.7% and a high quit rate (60.8%). The highest quit rate is from Kings referrals (81.3%) although their uptake rate is low (23.2).

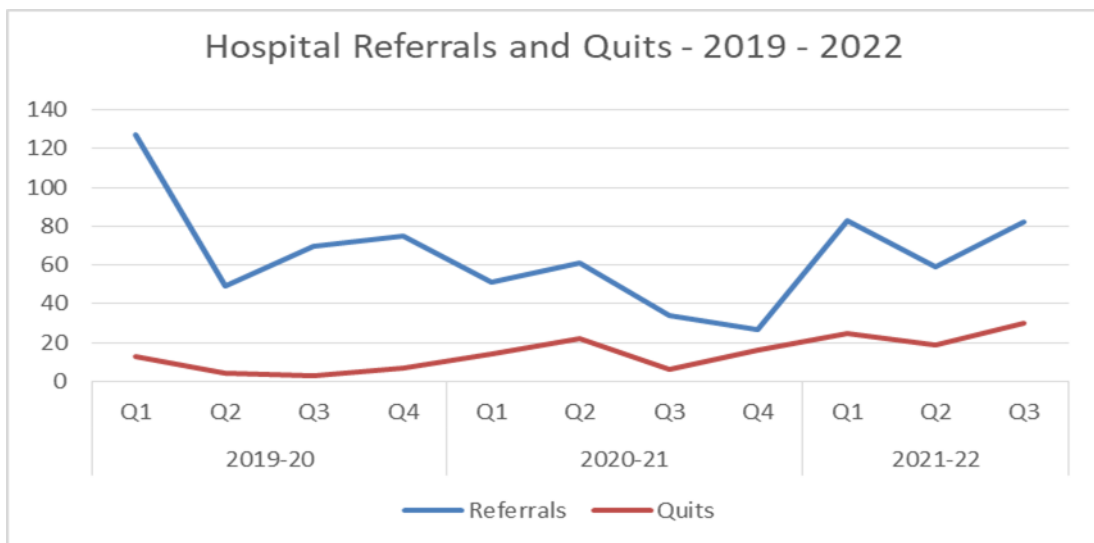
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5.2.2 The hospital referrals over the past three years are reflected in the graph below.



5.2.3 The table below compares data from this year to the same period the previous year. This has shown a return to a more consistent level of service delivery as the effects of COVID have reduced. The poor performance in Q2 can, in part, be explained as last years' Q2 was an over performance as a rebound effect to the impact of COVID in Q1. When compared to the 2019-20 data, there were fewer sign ups, marginally fewer quits and a better quit rate this year.

	Sign Ups			Quits			Quit Rate		
	2021-22	2020-21	+/-	2021-22	2020-21	+/-	2021-22	2020-21	+/-
Annual	1151	1076	75	651	585	66	56.5	54.4	2.1
Q1	398	292	106	236	150	86	59.3	51.4	7.9
Q2	364	397	-33	190	217	-27	52.2	54.7	-2.5
Q3	389	387	2	225	218	7	57.8	56.3	1.5

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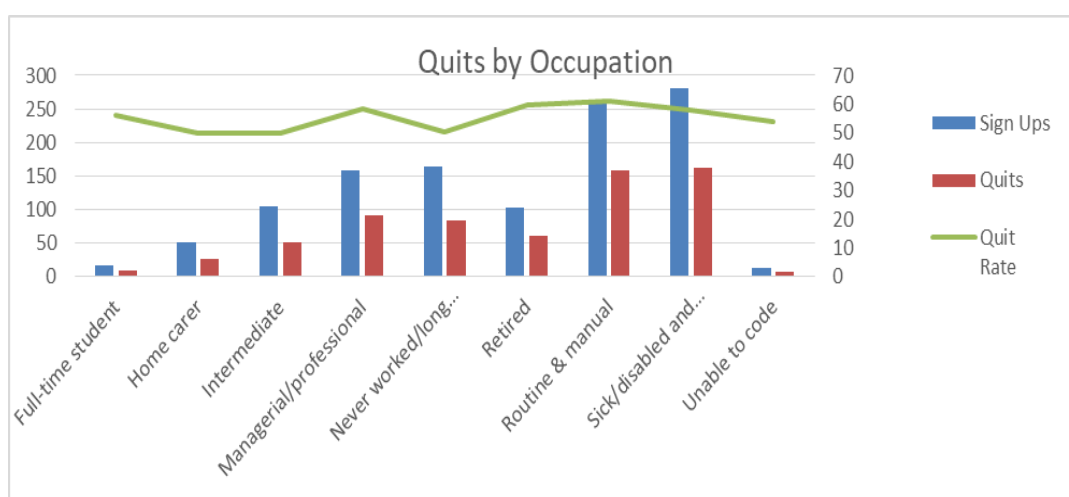
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5.3 In the first 3 quarters of 2021-22, 56.5% of those that set a quit date through the Lewisham Stop Smoking services had successfully quit smoking at 4 weeks - this equates to 651 Lewisham residents, which includes:

- 465 individuals from the lowest socio-economic status
- 366 individuals with long term conditions
- 100 mental health service users
- 40 pregnant women
- 10 parents of asthmatic children

5.3.1 The occupation data shows that there have been increases in the proportions of Sick/Disabled and those with who have Never Worked/Long Term Conditions accessing the service which has pushed Managerial/Professional workers down into 4th position in terms of uptake, yet still 3rd in terms of quits due to their higher quit rate. There has also been a slight shift from Intermediate to Retired with the latter now having a higher quit rate. Overall, every group has at least a 50% quit rate.



6. Procurement Approach

6.1 Commissioners will undertake an open competitive tendering approach.

6.2 A single supplier contract with a duration of 36 months (from 1st January 2023 to 31st December 2025) with an option for extension of 24 months, up a total of 60 months will be procured via an open competitive tender approach based on the timetable outlined in the table below:

NHS Health Check Procurement Timeline	
Activity	Date
Final Authority to Procure Report to Governance Team for Approval	23/06/2022

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Approval at Mayor & Cabinet	04/07/2022
Issue tender documentation	08/07/2022
Tender submission deadline	26/08/2022
Tender evaluation & moderation	w/b 05/09/2022
Final Award Report to Governance Team for Approval	29/09/2022
Award Mayor & Cabinet	5 th October 2022
TUPE and mobilisation	October- December for 01/01/2023 start

- 6.3 Per year, the estimated contract value will be £368,556 per year, with a total contract cost over 5 years £1,842,780.
- 6.4 Officers have chosen this route to market as there are no framework agreements that fit the needs of this procurement exercise
- 6.5 Officers have not looked at insourcing for this contract due to the reason listed below:
- The stop smoking service is extremely specialist in nature and has in-house specialists that deliver training to newly qualified medical professionals. The service sits within a wider healthcare system focussing on joined-up working to ensure patients receive comprehensive/holistic/coordinated care. The service is part of a mix of provision that is also offered from specialist voluntary sector providers including primary care recovery services.
- 6.6 The Local Authority procurement processes will be followed, led by commissioners from Lewisham Borough Council.

7. Financial implications

- 7.1 This report describes arrangements for the re-commissioning of the stop smoking contract
- 7.2 The report proposes that the current contract, which expires on 31/12/2022, is re-procured for a period of three years with an option to extend further for 1+1 years.
- 7.3 The existing 2022-23 contract value is £368,556 this contract is fully funded through the 2022/23 grant from Public Health Grant.

8. Legal implications

- 8.1 The value of the individual contract across its term means that this is a Category 'A' contract for the purposes of the Council's Contract Procedure Rules. The Contract falls under the Light Touch Regime under the Public Contract Regulations 2015

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("PCR 2015") being a Schedule 3 service: (health, social and related services or supply services of domestic help and nursing personnel).

- 8.2 It is mandatory for Schedule 3 contracts to be advertised on FTS and also advertised within 24 hours of FTS advertising on Contracts Finder, with an advertisement complying with requirements set out in PCR 2015. Award notices must also be published on FTS and Contracts Finder in the prescribed form.
- 8.3 Procedures for tendering are to be determined by contracting authorities in accordance with regulation 76 PCR 2015. These require procedures to be transparent and ensure equal treatment of suppliers. Time limits must also be reasonable and proportionate. The proposed tender is by way of open tender, which will comply with legislation and the Council's own rules.
- 8.4 The decision will be a Key Decision under Article 16.2 (a) as it has an expected expenditure value of more than £500,000. It is therefore required to be contained in the current Key Decision Plan.
- 8.5 The Public Services (Social Value) Act 2012 requires that when the Council is procuring services above the relevant threshold – as is the case here - it must consider, before commencing a procurement process, how the procurement might be conducted so as to improve the social, economic and environmental wellbeing of the area. The matters to be considered must only be those relevant to the services to be procured and it must be proportionate in all the circumstances to take those matters into account. The Council has adopted a Social Value policy which must also be applied; and the Council's Sustainable Procurement Code of Practice will need to be applied to the contract. The report sets out the social value issues which arise at paragraph 17 and any future decision by the decision maker will also need to take those matters into consideration.
- 8.6 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
 - The duty continues to be a "have regard duty", and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality.
 - It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.
- 8.7 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical

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Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at:

<http://www.equalityhumanrights.com/legal-and-policy/equality-act/equality-act-codes-of-practice-and-technical-guidance/>

- 8.8 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
1. The essential guide to the public sector equality duty
 2. Meeting the equality duty in policy and decision-making
 3. Engagement and the equality duty
 4. Equality objectives and the equality duty
 5. Equality information and the equality duty
- 8.9 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

9. Equalities implications

- 9.1 A health impact assessment and full equalities analysis was submitted as part of the proposals for Public Health services approved by Mayor & Cabinet on 28th September 2016.
- 9.2 Despite an overall trend of reducing smoking prevalence across the UK, smoking is still much more common amongst those in society who already suffer from poorer health and other disadvantages. Smoking rates are almost three times higher amongst the lowest earners, compared to the highest earners. In fact, smoking is one of the largest causes of health inequalities in the UK. The difference in life expectancy between the poorest and the richest in society can be as much as nine years, of which approximately half can be attributed to smoking.
- 9.3 The targeting of specialist stop smoking services reflects a strategic priority to address these health inequalities. Specialist stop smoking services have a good record of treating people from disadvantaged groups and have been credited with reducing the inequalities in smoking prevalence and were endorsed in the national tobacco control plan for England. The Lewisham Stop Smoking service is strategically targeted at the most disadvantaged groups, including:
- Adults in routine and manual occupations (Lewisham prevalence of smoking is 19.1% in this group, as compared to the general population prevalence of 15.5%).
 - Mental health service users – including those with serious mental illness (estimated smoking prevalence of 41.5% in Lewisham).
 - Individuals with learning disabilities (that do not use specialist services for

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people with learning disabilities) – this group is more likely to smoke tobacco and to be exposed to some known social determinants of poorer health (such as greater material hardship, greater neighbourhood deprivation, reduced community and social participation).

- 9.2 The Council's Equalities objectives will be addressed in the contract documentation and will form part of the tender evaluation criteria.

10. Climate change and environmental implications

- 10.1 The Lewisham Stop Smoking Service plays a key role in reducing the environmental impact of smoking in Lewisham by contributing to 'smoke free' initiatives in the borough e.g. Smoke free NHS premises at University Hospital Lewisham. These initiatives reduce the second hand smoke that residents are exposed to in addition to reducing other environmental impacts e.g. street littering.

11. Crime and disorder implications

- 11.1 No crime and disorder implications are anticipated

12. Health and wellbeing implications

- 12.1 The contract identified in this report, is required to ensure that continuity of care and support is in place for the service users accessing these services.

13. Social Value

- 13.1 The incorporation of Social Value into Lewisham contracts will significantly help the Council to deliver on its strategic corporate and Mayoral priorities and deliver added value for the borough as a whole. As part of this tender officers expect that this contract will actively contribute to the achievement of reducing: alcohol harm, improving mental health and wellbeing, delaying and reducing the need for long term care and support, and reducing the number of emergency admissions for people with long term conditions.
- 13.2 Bidders will be asked to submit a method statement that has a weighted score of 10%. Bidders will be asked to demonstrate how the service will contribute to the key social value outcomes, including how the organisation works with local employers and training organisations to remove stigma and barriers to support individuals in returning to employment, training and/or education
- 13.3 The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that, where appropriate, contractors and subcontractors engaged by the council to provide works or services within Lewisham pay their staff at a minimum rate equivalent to the LLW rate. Successful contractors will be expected to meet LLW requirements and contract conditions requiring the payment of LLW will be included in the service specification and contract documents
- 13.4 Once contracts have been awarded the Social value delivery and monitoring be formally reported on the KPI Performance report.

14. Background papers

- 14.1 [COVID-19 Extensions - Community Services ED Report FINALDW.DOCX](#)
- 14.2 [MC contracts smoking award report FINAL REVISED 1 10 18DW.docx](#)

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