



## Mayor and Cabinet

### Award of Contract Stop Smoking Service

**Date:** 2<sup>nd</sup> November 2022

**Key decision:** Yes.

**Class:** Part 1

**Ward(s) affected:** All

**Contributors:** Executive Director of Corporate Resources, Director of Public Health and Substance Misuse Commissioning team

### Timeline and Engagement

2<sup>nd</sup> March 2021 COVID-19 Related Extensions Report

6<sup>th</sup> July 2022– Mayor & Cabinet approval to procure suitable provider to deliver the Stop Smoking Service (based on lower budget)

6<sup>th</sup> October 2022 – Award of Contract

### Outline and recommendations

The Mayor and Cabinet are recommended to appoint Lewisham and Greenwich NHS Trust to deliver the Stop Smoking Contract. The contract will be for an initial period of 3 years commencing on January 2023 with an option to extend for a further 1+ 1 years

The annual contract value will be £368,135 up to a maximum contract value of £1,840,675 over a full 5 year period.

This contract is fully funded through the 2022/23 grant from Public Health England.

## 1. Summary

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- 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 The current Stop Smoking contract is due to expire on 31 December 2022 and 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
- 1.3 This approach is recommended in order to deliver best value and to provide stability within the treatment system. The nature of the contract will allow flexibility to respond to a changing policy landscape.

## **2. Recommendations**

- 2.1 The Mayor and Cabinet are recommended to appoint Lewisham and Greenwich NHS Trust to deliver the Stop Smoking Contract for a period of three years from January 2023 with an option to extend for a further 1 + 1 years at an annual contract value of £368,135 per year, with a total contract cost over 5 years £1,840,675
- 2.2 The contract is fully funded from the main Public Health Grant, There is no contribution from the council's General Fund budgets.

## **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 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,

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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.
- 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

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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. Procurement Arrangements**

- 5.1 Full procurement arrangements are set out section five of the Part 2 report.

## **6. Synopsis of the bids received.**

- 6.1 Full synopsis of the bids received are set out in section 6 of the Part 2 report.

## **7. Financial implications**

- 7.1 Full financial implications are set out in section seven of the part 2 report

## **8. Legal implications**

- 8.1 The value of the individual contract across its term exceeds £500,000 and 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 ("PCR 2015") being a Schedule 3 service: (health, social and related services or supply services of domestic help and nursing personnel) above the former OJEU (now Find a tender) limits.
- 8.2 It is mandatory for Schedule 3 contracts over the limits 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.
- 8.4 The rationale for the proposed award is set out in the bid analysis in the part 2 report. This decision is a Key Decision under Article 16.2 (b) and Article 16.2 (c) (xxiii) of the Constitution as it will have an impact on more than one ward and it has a value of more than £200,000. It is therefore required to be contained in the current Key Decision Plan.

## **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

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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 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,

## **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 Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the wellbeing of the local area can be secured.
- 13.2 Bidders were therefore asked to submit a method statement that has a weighted score of 10% Bidders needed 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

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- 13.3 Making Lewisham healthier – Lewisham has identified 9 long term outcomes as part of its 2013 strategy and its intended that this contract will actively contribute to reducing the harm caused by substance misuse specifically alcohol, 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.
- 13.4 A potential direct consequence of difficulties in access to or availability of Tier 3 treatment interventions could result in an increase in crime and acute admissions to hospitals with a potential negative impact on CCG budgets as a result.
- 13.5 Employment, Skills & Economy – Achieving stability in treatment and sustained recovery brings economic benefits to the borough through enabling drug and alcohol using residents to find work, access training and achieve their goals as well as contributing to the local economy. It also brings positive economic benefits for the council in reducing ongoing need and financial costs for public health funded services and ASC by enabling residents to live independent lives with improved health and wellbeing.
- 13.6 The evaluation of the bids has ensured that suppliers have a good track record in delivering services to a diverse group of service users. It has also assessed the quality of clinical governance and safeguarding policies and protocols, thus providing assurance that residents will be offered safe, clinically robust care and be safeguarded at all times.
- 13.7 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 tender documents.
- 13.8 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.
- 13.9 Once contracts have been awarded the Social value delivery and monitoring be formally reported on the KPI Performance report.

## 14. Background papers

- 14.1 Permission to Procure Report for Mayor and Cabinet – Stop Smoking Contract (06072022)



Stop Smoking  
Contract - Authority

## 15. Report author and contact

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- 15.3 **Comments for and on behalf of the Executive Director for Corporate Resources**
- 15.4 Abdul Kayoum
- 15.5 **Comments for and on behalf of the Director of Law, Governance and HR**
- 15.6 Mia Agnew, Senior Lawyer, (ref JW)

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