

REPORT TO CABINET

25 July 2018

Subject:	Re-commissioning Sandwell Stop Smoking Service
Presenting Cabinet Member:	Councillor Elaine Costigan - Cabinet Member for Public Health and Protection
Director:	David Stevens - Executive Director of Adult Social Care, Health and Wellbeing Ansaf Azhar – Interim Director of Public Health
Contribution towards Vision 2030:	
Key Decision:	Yes
Forward Plan (28 day notice) Reference:	SMBC10/05/2018
Cabinet Member Approval and Date:	Cllr Costigan – 22 June 2018
Director Approval:	David Stevens – 22 June 2018
Reason for Urgency:	Urgency provisions do not apply
Exempt Information Ref:	Exemption provisions do not apply
Ward Councillor (s) Consulted (if applicable):	Ward Councillors have not been consulted
Scrutiny Consultation Considered?	Scrutiny have not been consulted
Contact Officer(s):	<ol style="list-style-type: none"> 1. Ansaf Azhar - Acting Public Health Director. 2. Gordon Andrews – Public Health Programme Manager. 3. Isaac Ojo – Tobacco Control Project Manager.

DECISION RECOMMENDATIONS

1. That the Cabinet consider and approve the proposal to re-commission the Sandwell Stop Smoking Service with 'correct-sized' target & budget and remodelled payment structure.
2. That the Executive Director - Adult Social Care, Health and Wellbeing be authorised to commence a procurement process and award and enter into contract with the successful bidder for the provision of Stop Smoking Service to commence on 1st April 2019 for a period of 2 years with the option to extend for up to 1 year at a budget of £450,000 per annum.
3. In connection with 2 above, that the Cabinet authorise the Executive Director – Resources to enter into a contract with the successful bidder on terms to be agreed by the Executive Director - Adult Social Care Health and Wellbeing for the provision of Stop Smoking Service.
4. That any necessary exemptions be made to the Council's Procurement and Contract Procedure Rules 2018/19 to allow a contract to be awarded to a successful tenderer.

1 PURPOSE OF THE REPORT

- 1.1 Public Health currently contracts for the Stop Smoking Service and the contract for this service ends on 31 March 2019.
- 1.2 There is the need to 'correct size' the stop smoking service target for the number of smokers to be treated annually in view of the actual number achieved in the last 3 years compared to target.
- 1.3 The purpose of this report is therefore to ask for the Cabinet's approval to adopt the identified change in service targeting with reduction in annual budget allocated to the commissioned Stop Smoking Service. The report also asks the Cabinet to approve the commencement of the commissioning process with a contract award with effect from 1st April 2019.

2 IMPLICATIONS FOR SANDWELL'S VISION

- 2.1 Quitting smoking is a key factor in increasing population life expectancy as well as healthy life expectancy. This is because smoking is directly responsible for many acute and chronic illnesses that reduce life expectancy and healthy life expectancy.
- 2.2 Smokers also make more demands on health and social care services and efforts to reduce the level of smoking in any population are bound to have positive effects.

- 2.3 Children whose parents smoke have significantly higher risks of health problems (e.g. asthma). These health problems are likely to negatively impact on children's school attendance and therefore educational attainment. These children are also more likely to become smokers themselves compared to children whose parents are not smokers. Reducing the exposure of children to smoking by reducing the level of smoking in our population is bound to impact positively on giving our young ones the best start in life as well as improving their school attendance.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The level of smoking in Sandwell has substantially reduced (from 22.8% to 19%) in the last five to six years but it is still significantly higher than the regional and national averages.
- 3.2 The landscape for smoking cessation service delivery has also changed due to a number of factors; including the emergence of electronic cigarettes as a smoking cessation aid and the current government plan to fund public health services from growth in business rates.
- 3.3 Due to the emergence of electronic cigarettes (which seem to work well for smoking cessation) and advances in technology (that make access to information easier) there is increasing reliance on self-help by smokers wanting to quit.
- 3.4 Moreover, the current model of service payment has not been as cost-effective as expected due to poor a performance by one of the service providers. There is therefore a need to engage a more robust payment model to reduce the financial impact of possible poor performance in future (see prior Cabinet Report).
- 3.5 The level of smoking in Sandwell is higher than the regional and national averages, as well as being concentrated in vulnerable groups (such as people with mental health problems, members of some ethnic minority groups and people in lower social economic groups). It is important that we continue to engage all options of support to help smokers quit if we are going to reduce the level to the national average. Engaging all options of support to help smokers quit will also help in reducing health inequalities in our population.

- 3.6 The combined impacts of the change in the landscape relating to electronic cigarettes, the expected reduction in funding for public health services, the higher than average level of smoking, and the concentration of smoking in certain groups of our population necessitate the need to refine the service delivery and payment model.

4 THE CURRENT POSITION

- 4.1 We currently have a commissioned service delivered by Health Exchange. Previously the service was delivered by two organisations but this was consolidated to one provider in April 2018 due to poor performance of the other service provider.
- 4.2 Although it prioritises certain groups (such as pregnant women), the current service delivery model is largely universal in approach and wholly based on the provision of support to smokers via trained specialists.
- 4.3 The current model does not take into account that some smokers may not need full specialist support to quit. It also does not take fully into account the use of electronic cigarettes which have now become very popular and are proving to be a very effective tool in smoking cessation.
- 4.4 The current service delivery model has an annual budget of £810,000 with the payment model consisting of a combination of block payment, payment by result and incentive for achieving targets. Expenditure against the budget was £563,000 in 2017/18.

5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

We consulted colleagues in other areas in respect of service design and there is a general understanding that a specialist service is still very much needed to cater for those smokers who need such support to quit. There is however a growing interest in also developing and aligning a 'self-help offer' for the smoking population.

We also consulted with residents of Sandwell and there was general support for the proposed service delivery model.

6 ALTERNATIVE OPTIONS

- 6.1 We have considered 2 options and these are:
- 6.1.1 The continuation of the current **Specialist Support** which is universal and based only around the provision of support by trained specialists but with a reduced target and adjustment in payment mechanism.

- 6.1.2 Development of a **Combined Support** model incorporating 2 elements (specialist and digital self-help) alongside each other. These 2 elements are integrated in a way that allows service users to engage for level of support as needed.
- 6.1.3 The combined model is the preferred option, however the two elements of the model will have to be developed and tendered separately in order to maximise potential in the mid-term. The element of 'digital self-help needs further development and is not yet at the point of commissioning.

7 STRATEGIC RESOURCE IMPLICATIONS

- 7.1 It is expected that the target for the specialist element will be 'correct-sized' to the current level of achievement which will still result in treating significantly higher than the minimum of 5% of the smoking population recommended by NICE.
- 7.2 We currently work towards achieving 1,820 twelve-week quits (100 of which are identified as pregnant women) but we have actually achieved 1,185 twelve-week quits (25 of which are pregnant women) - this represents 65% of the aspirational target set at the beginning of the current contract in 2015.
- 7.3 Changing the current model of payment (from 4 elements of Block payments, Payment by Result for 4-week quits and 12-week quits and additional Incentive) to a simplified Block (30%) with Payment by Result (70%) will reduce the financial risk to the Council should there be poor performance by service provider in future.
- 7.4 'Correct-sizing' the specialist service element will mean treating 3,780 smokers to achieve 1,890 four-week quits and 1,250 twelve-week quits at an annual budget of £450,000.
- 7.5 The 2018/19 budget for the current service is £810,000; the proposed contract has an annual value of £450,000, a savings of £360,000 pa. The uncommitted budget will support the development of a 'digital self-help' offer for those within our smoking population who may prefer the 'do it alone' option of cessation support as opposed to a face-to-face specialist service.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

- 8.1 Under the Health & Social Care Act 2012, Sandwell Council (Public Health Improvement Team) has undertaken responsibility for commissioning the Stop Smoking Service since 2013.

- 8.2 Under various enabling legislation, including Section 1 of the Local Government (Contracts) Act 1997, the local authority has power to enter into contracts for the purposes of or in connection with the discharge of its functions.
- 8.3 The procurement of this service will be conducted in accordance with the Public Contracts Regulations 2015 and Sandwell's Procurement and Contract Procedure Rules.
- 8.4 The award of contract will require the approval of Cabinet as the cost of the Stop Smoking Service exceeds the value of £250,000.

9 EQUALITY IMPACT ASSESSMENT

- 9.1 This report is seeking to remodel the delivery of the stop smoking service and to commission a refined specification from April 2019, based on the new model. An Equality Impact Assessment screening has been undertaken in accordance with the Public Sector Equality Duty under Section 149 of the Equality Act 2010 and it has been confirmed with the Lead Officer - Resources that a full EQIA is not required.
- 9.2 The proposed service delivery model does not adversely affect any particular group having protected characteristics.

10 DATA PROTECTION IMPACT ASSESSMENT

- 10.1 The service provider will be fully compliant in respect of data protection requirements under the final service specification and contracting arrangements with Sandwell Metropolitan Borough Council – Public Health.
- 10.2 Consideration will be given to the General Data Protection Regulation coming into effect in May 2018 and necessary actions will be made clear in the service contract.

11 RISK ASSESSMENT

- 11.1 The corporate risk management strategy has been complied with to identify and assess the risks associated with the decisions being sought. This has concluded that there are no significant risks.
- 11.2 A risk assessment action plan has been completed in respect of the proposal which identifies risk in respect of continuity of stop smoking service provision from 1st April 2019. Risks mitigating controls and actions have been identified within the plan.

11.3 There will be further consideration given to risk management as part of the contractual management with the future service provider.

12 SUSTAINABILITY OF PROPOSALS

12.1 The recommended option maximises flexibility and the opportunities to extend integrated service provision to those who may not need as much support as is provided under the current model of service delivery.

12.2 The proposed model is expected to make significant savings compared with the current contract.

13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

Please refer to all sections in the main body of this Report.

14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

N/A

15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

15.1 Approval is sought to change the Sandwell Stop Smoking Service delivery model and to commission a refined service based on this proposed model with effect from 1st April 2019.

15.2 The element of digital self-help which will be developed and incorporated in the proposed integrated service delivery model will help extend the reach of the Sandwell stop smoking service to users (to include those that don't feel they need the full specialist-based support as currently provided).

15.3 The proposed change to the payment mechanism for the service will reduce the financial risk to the Council should there be a poor performance by service provider.

15.4 It is anticipated that there will be a substantial saving if the proposed change to model of service delivery is approved whilst retaining universal access to a Stop Smoking Service for Sandwell residents.

16 BACKGROUND PAPERS

None

17 **APPENDICES:**
None

