

PROPOSAL TO TRANSFER THE IN HOUSE STOP SMOKING SERVICES TO AN EXTERNAL PROVIDER

To: **Health Committee**

Meeting Date: **15th December 2016**

From: **Director of Public Health**

Electoral division(s): **All**

Forward Plan ref: **Key decision:** **No**

Purpose: **The purpose of this paper is to present and secure Health Committee approval and support for the proposal to transfer the in house Stop Smoking Services to an external provider.**

Recommendation: **That the Health Committee supports and approves the following key elements found in the proposal.**

- **To contract with an external provider the in house core Stop Smoking Service that is currently part of the Public Health Directorate**
- **To integrate the Stop Smoking Services into lifestyle services.**
- **To support the procurement approach of transferring the Stop Smoking Services to Everyone Health, the integrated lifestyle service provider currently commissioned by Cambridgeshire County Council.**

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1. BACKGROUND

- 1.1 Camquit is Cambridgeshire County Council's (CCC) local evidence based Stop Smoking Service. This means that smokers are offered behavioural therapy (which may be either individual or group counselling) which involves scheduled face-to-face meetings between the smoker and a practitioner from the Stop Smoking Services trained in smoking cessation. A quit date is set initially and typically, this is followed by weekly sessions over a period of at least 4 weeks after the quit date and is normally combined with NRT/drug therapy. The Camquit Service is delivered through a number of different providers.
- 1.2 The core team is an in house provider and is part of the Public Health Provider Team. The core team includes smoking cessation specialists and data staff support staff. It is responsible for the overall co-ordination of the Service. The staff provide support to smokers wanting to quit, and deliver specialist services such as the smoking in pregnancy and young person's programmes, service marketing, targeted project work, managing data processing, analysis and reporting. The core team also provides support to other providers through delivering training in line with national guidance and practice visits if required.
- 1.3 Cambridgeshire County Council (CCC) also has contracts with all 77 GP practices within Cambridgeshire to deliver stop smoking support to smokers registered with their practice. The GP based services are delivered by practice staff such as the practice nurse or healthcare assistant. As demands on practices have increased there are a growing number of practices that have chosen to have Camquit advisors to deliver their services. Each practice has an annual target number of smoking quitters based on the number of smokers they have registered within the practice and the local district's smoking prevalence. Community pharmacies are also contracted to deliver stop smoking cessation, but the number has been declining steadily in recent years. They do not have any quitter targets.
- 1.4 Nationally local authorities have increasingly moved away from the model where their stop smoking services are part of their in house public health teams. More recently stop smoking services have been widely commissioned as part of integrated lifestyle services which is currently the most popular model for lifestyle and behaviour change service delivery. This integration has not been associated with any falls in performance.

2. MAIN ISSUES

- 2.1 The delivery and provision of Stop Smoking Services have been evolving locally and nationally. This is in response to an increased focus upon commissioning within Public Health and also more widely within Cambridgeshire County Council. Secondly there has been the development generally of lifestyle services across the country which usually includes core stop smoking services.
- 2.2 In the context of these changes this paper proposes that the core Stop Smoking Service is commissioned from an external provider with the aim of it becoming part of an integrated lifestyle service, which provides a number of advantages. The externally commissioned stop smoking service would be responsible for providing the full range of functions, indicated above, that the core service currently provides. This would include providing support to GP and community pharmacies for them to deliver services.

- 2.3 However the contracts with the GPs and community pharmacists would continue to be commissioned and performance managed by CCC. Stop smoking services are one of five public health services commissioned from GPs. Transferring the commissioning responsibility to the provider would create duplication of performance management processes, and GP practices could perceive the additional system as time wasting, undermining the good relationships that they have with Public Health. The current Stop Smoking Service function of managing the data and payments for the GP and community pharmacy contracts would also remain within Public Health.
- 2.4 Table 1 below indicates the range of options in terms of Stop Smoking Service delivery and procurement approach along with describing their benefits and disadvantages. The key benefits that would be required is improved access to Stop Smoking Services, an holistic approach to lifestyle change that would enable individuals to receive all lifestyle advice in one place, cost savings opportunities and the potential for service developments.
- 2.5 The value of the core Stop Smoking Service that would be transferred is circa £400k per annum. This represents staff costs, with the exception of a small non-pay budget for staff training and promotional activities. It is anticipated that £50k savings would be found from streamlining management costs. Additional savings could be secured through increased integration of the core Stop Smoking Service with other lifestyle services. However experience in other areas where integration has been implemented indicates that it is more productive if initially the core Stop Smoking Service is independent within the wider integrated lifestyle service.
- 2.6 The value of the Service means that procurement regulations apply. However there is a potential option to transfer the core Stop Smoking Service to the current local Integrated Lifestyle Service provider, Everyone Health, which would have some benefits. The Everyone Health contract was commissioned from June 2015 for five years with a potential break after three, if there are any concerns regarding the Service. Following consultation with LGSS legal and procurement teams the only option other than immediate progression to a full tender would be for CCC to provide information through the procurement portal about its intention of transferring the core Stop Smoking Service to Everyone Health. (Voluntary Transparency Notice). Potential providers would have the opportunity to object on the basis of a lack of fair completion. This scenario would then demand a full tender process. The benefits and disadvantages of this approach are found in Table 1.

Table 1: Stop Smoking Services December 2016: Options for service delivery and procurement

Stop Smoking Services – Service Delivery Options			
		Benefits	Disadvantages
1.	Maintain the “status quo” – no change	<ol style="list-style-type: none"> 1. The core Stop Smoking Team has a close working relationship with the Public Health Team with the staff being committed public health objectives. 2. The core Stop Smoking Team is able to respond quickly to any service developments/changes without requiring any time consuming contract changes. 3. Past experience of contracting the core Stop Smoking Team out to another organisation led to poor performance, although this was not to a specialist lifestyle service. 	<ol style="list-style-type: none"> 1. The core Stop Smoking Service has a management structure and its own promotional programme. If the core Service is part of a wider Integrated Lifestyle Service it would have the potential to release savings through combining management and promotional overheads with the other lifestyle services. 2. The core Stop Smoking Service currently stands alone and although it works with the Integrated Lifestyle Service there are missed opportunities for client referrals from health trainers and other elements of the Lifestyle Service. The number of referrals to the Stop Smoking Services has fallen and this could be improved through greater integration with lifestyle services. 3. The current core Stop Smoking Service is small and coping with sickness, staff leaving etc. is challenging. As part of a larger lifestyle service such pressures may be mitigated through the use of staff with similar skills. 4. As Public Health commissions the Stop Smoking Services, staff from the core service can be diverted into supporting commissioning and performance management of the other providers.
2.	Commission a “stand alone” Stop Smoking Service.	<ol style="list-style-type: none"> 1. This would ensure that the core Stop Smoking Service remained focused upon providing support for smokers and that staff skills would continue to develop. 	<ol style="list-style-type: none"> 1. A stand alone core Stop Smoking Service would be small. A proportion of its costs would require allocation to infrastructure/management leaving less resource for direct service delivery. 2. There are very few examples currently of stand alone core Stop Smoking Services and therefore there could be limited market opportunities to commission this model of service delivery.

			<p>3. Referrals to Stop Smoking Services have decreased in recent years. Good referral pathways to Stop Smoking Services are important for generating clients who want to stop smoking. A Stop Smoking Service that is part of a wider lifestyle service would have better access to direct referrals than a stand alone service that would have to rely on existing or developing new pathways.</p>
3.	Commission Stop Smoking Services as part of an integrated lifestyle service.	<p>1. There is the potential for management/overhead cost savings in the short term. In the longer term additional savings could be achieved through other integrated lifestyle service staff supporting smokers to quit as they will already be trained in lifestyle behavioural change techniques.</p> <p>2. Lifestyle services have a central focus of supporting lifestyle behavioural change. All staff are trained to deliver behaviour change interventions and are able to motivate smokers to quit and refer to services, but also have the potential to support a full quit attempt. The integration of the Stop Smoking Services with general lifestyle services would increase the capacity for initiating referrals and supporting quit attempts. Although it is recommended from other areas that this is more effective if it is part of phased approach to integration.</p> <p>3. Clients of lifestyle services often have multiple lifestyle issues. Most prefer to focus upon one issue but if successful they may be prepared to look more holistically at their lifestyle. Stop Smoking Services as part of an integrated Lifestyle Services could be embedded into a range of pathways and ensure easy appropriate access for their clients to a range of different lifestyle support options.</p> <p>4. A larger lifestyle services brings advantages in terms of the management staff sickness, retirement etc. (see 1.3 above).</p>	<p>1. This could potentially dilute the evidence based Stop Smoking Services model.</p>

		<p>5. In addition a larger lifestyle workforce facilitates service development overall. For example the current Integrated Lifestyle Service in Cambridgeshire provided by Everyone Health now has “specialist health trainers” that focus upon falls and mental health. All health trainers are able to give advice and support on these areas but the “specialists” address more complex problems or provide training.</p>	
Commissioning Approaches: Due to the value of the Services there are procurement considerations.			
4.	<p>Under the Voluntary Transparency Notice (see note below) procurement process transfer the Stop Smoking Services to Everyone Health, the current provider of integrated Lifestyle Services. This contract runs to May 2018 with a potential extension for another two years.</p>	<p>Supportive procurement rules</p> <p><i>“Contracts and framework agreements may be modified without a new procurement procedure in accordance with this Part in any of the following cases:—</i></p> <p><i>b) for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor—</i></p> <p><i>(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, or</i></p> <p><i>(ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority, provided that any increase in price does not exceed 50% of the value of the original contract”</i></p> <p>(i) This applies in this instance as a change of provider would need to meet the requirement of being part of an integrated service. This would not be possible in Cambridgeshire due to the current contract with Everyone Health. There is no other commissioned integrated lifestyle service.</p> <p>(ii) By integrating the core Stop Smoking Service into a wider Lifestyle Service this would avoid duplication of management costs. The identified savings reflects the removal of one of the management posts. The functions of</p>	<ol style="list-style-type: none"> 1. Due to the current contractual arrangements with Everyone Health the core Stop Smoking Service would not benefit from any of the advantages of being fully integrated into the local Lifestyle Services until these services are re-tendered. Any successful bidder would have to demonstrate how it would integrate the core Stop Smoking Service into other lifestyle services to ensure that the benefits of referral pathways are maximised. 2. Most areas have commissioned their Stop Smoking Services as part of an integrated lifestyle service. Therefore there is uncertainty as to whether there is a robust market for the provision of stand alone stop smoking services in an area 3. If the voluntary transparency notice approach was challenged then this would necessitate a full procurement process. This would delay the process although a Voluntary Transparency Notice would be published for 10 calendar days.

		<p>the post would be picked up by the Everyone Health management structure.</p> <p>In addition the total value of the Everyone Health contract over five years is £8m. The value of the Stop Smoking Services if the Everyone Health contract was extended to the full five years would be £1,137,500, less than 50% of the contract value.</p> <p>There are other considerations however these do not influence any procurement rules.</p> <ol style="list-style-type: none"> 1. It would secure savings in the next financial year. 2. The core Stop Smoking Service staff have experienced a number of recent management changes. In addition when services transfer to a different organisation there is usually a fall in performance. The Stop Smoking Services are familiar with Everyone Health and previous members of the Public Health provider team were transferred to Everyone Health following the Lifestyle Service tender. 	
5.	Undertake a full tender	<ol style="list-style-type: none"> 1. This would ensure that there is a full competitive process and the potential for identifying a service that offers high quality, value for money services. 	<ol style="list-style-type: none"> 1. This is time-consuming and any savings would be delayed. 2. Also the risk of undermining staff morale.

A Voluntary Transparency Notice may be published by a contracting authority where a contract has been awarded without prior publication of a contract notice in accordance with the Public Contracts Regulations 2015, SI 2015/102, Pt 2 (i.e. a direct award). A contracting authority may opt to publish a voluntary transparency notice in these circumstances in order to resist challenge on grounds of ineffectiveness under the Public Contracts Regulations 2015, SI 2015/102, reg. 99(2).

The Public Contracts Regulations 2015, SI 2015/102, reg. 99(3) provides that the above ground for ineffectiveness will not apply if the contracting authority:

- considers the contract award (without prior publication of a contract notice) to be permitted by the Public Contracts Regulations 2015, SI 2015/102, Pt 2
- publishes a voluntary transparency notice in the OJEU indicating its intention to enter into the contract, and
- observes a standstill period of at least ten days beginning with the day after the date the voluntary transparency notice was published in the OJEU

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 Developing the local economy for the benefit of all

The following bullet points set out details of implications identified by officers:

- Smoking is associated with a range of health conditions that create high level costs for health and social care services along with high absenteeism from work. Stop smoking interventions are cost saving to the NHS and other parts of the system

3.2 Helping people live healthy and independent lives

The following bullet points set out details of implications identified by officers:

- Smoking is a major public health issue due to its substantial impact of health.
- The provision of Stop Smoking Services has a strong track record of supporting smokers to quit smoking and decrease their risks of ill health and premature death. This proposal will strengthen the Stop Smoking Services through integration that will improve referrals and the capacity to provide the Services.

3.3 Supporting and protecting vulnerable people

The following bullet points set out details of implications identified by officers:

- Smokers are highly vulnerable to debilitating poor health. This proposal has the potential to strengthen services and provide more support to smokers to help them quit.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The immediate resource implications of this proposal for Cambridgeshire County Council and partner agencies are laid out in para 3.4.

4.2 Statutory legal and risk implications

These are described in Table 1 section 4

4.3 Equality and Diversity

The current Stop Smoking Services address equality and diversity issues and this would be a requirement for any new provider organisation. A Community Impact Assessment has been completed and is included in Annex B of the Health Committee Review of draft Revenue Business Planning Proposals 2017/18 – 2020/21 (December Health Committee).

4.4 Engagement and communications

The proposal requires an increase in the level of engagement with smokers and other local residents through the Stop Smoking Services being part of wider organisation that reaches a bigger proportion of the population.

4.5 Localism and local Member engagement

There are no immediate implications for localism and local Member engagement.

4.6 Public Health

The purpose of this programme is to improve and develop Stop Smoking Services in Cambridgeshire which will increase the number of people who stop smoking.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes 28 November 2016 Name of Financial Officer: Clare Andrews
Has the impact on Statutory, Legal and Risk implications been cleared by LGSS Law?	Yes 28 November 2016 Name of Legal Officer: Virginia Moggridge
Are there any Equality and Diversity implications?	Covered by CIA 6 th Dec 2016 Name of Officer: Liz Robin
Have any engagement and communication implications been cleared by Communications?	Yes 24 November 2016 Name of Officer: Matthew Hall
Are there any Localism and Local Member involvement issues?	No 6 th Dec 2016 Name of Officer: Liz Robin
Have any Public Health implications been cleared by Public Health	Yes 6 th Dec 2016 Name of Officer: Liz Robin

Source Documents	Location
Community Impact Assessment, included in Annex B of the Health Committee Review of draft Revenue Business Planning Proposals 2017/18 – 2020/21 (December Health Committee).	https://cmis.cambridgeshire.gov.uk/ccca/abid/70/ctl/ViewMeetingPublic/mid/397/committee/6/Default.aspx