

# Tender evaluation and contract award of the Tobacco Dependency Service

Date: 28<sup>th</sup> September 2022

Report of: Chief Officer/Consultant in Public Health (Healthy Living and Health Improvement)

Report to: Director of Public Health

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## Brief summary

A competitive procurement exercise has been undertaken for a new tobacco dependency service. The service will work across the city, but will prioritise people living in deprived areas and / or who have other risk factors in order to reduce health inequalities. Following evaluation of the tenders received, a preferred bidder has been identified. This report therefore seeks approval to award the contract.

## Recommendations

- a) The Director of Public Health is recommended to award a contract to Reed Wellbeing Ltd with effect from 1st April 2023 until 31st March 2028, with an option to extend for up to a further 36 months in any combination. The value of this decision is £3,643,000.00 for the initial 5-year contract period (total value of £5,828,800.00 if the extension is fully utilised), which will be subject to a separate decision at the appropriate time.

## **What is this report about?**

- 1 Approval to procure a new tobacco dependency service was given on 25<sup>th</sup> May 2022 (D55311). The new service shall provide a range of evidence based advice, guidance, information, self-help tools, activities and interventions to help people to successfully and permanently stop smoking. The core elements of the intervention will be the provision of time-limited behavioural support and pharmacotherapy. Quit status will be verified through carbon monoxide readings after four weeks, and will be followed up after 12, 26 and 52 weeks to establish long-term change. The service will prioritise those living in deprived areas of Leeds, in order to help reduce health inequalities.
- 2 The tender documents were published on YORtender on 20<sup>th</sup> June 2022. Tender requirements were for submission of a standard selection questionnaire (SSQ - a due diligence document), method statement, price schedule and social value commitments. Five submissions were received on time, ahead of the deadline of 22<sup>nd</sup> July 2022.
- 3 The tender evaluation was conducted by a panel of officers from the Adults and Health Directorate. The overall scoring process was on a consensus basis and overseen by Procurement and Commercial Services (PACS).
- 4 Five submissions were received, all of which demonstrated at the SSQ stage that they had sufficient experience of delivering this type of service and therefore progressed to the method statement evaluation stage.
- 5 Only the bid received from Reed Wellbeing Ltd successfully met all of the minimum quality thresholds and therefore passed this stage of the evaluation. Approval had also been given to go out to tender with a fixed budget and to set the evaluation criteria at 100% quality; as such there was no evaluation of price.
- 6 The preferred provider has been subject to due diligence checks concerning safeguarding policies, health and safety, finance, references relating to the provision of other similar contracts and insurance all of which have been successfully completed with no issues identified.

## **What impact will this proposal have?**

- 7 The service will contribute to reducing smoking prevalence, and in particular reduce the inequality between different parts of the city. Access to the service by groups and communities where smoking prevalence is higher will be monitored throughout the contract. Key Performance Indicators will include the number of people setting a quit date, achieving 4-week quits and having quits verified through carbon monoxide readings and longer term follow up will be a key feature of the service monitoring.
- 8 The Social Value Toolkit has been embedded within the procurement and contract management processes in order to identify and measure the additional outcomes being delivered. At the time of submitting this report, evaluation of the Social Value element of the submissions has not been completed by the Social Value Portal. However, it will be completed by the date that the decision is made with a verbal update being able to be provided.
- 9 It is estimated that 32% of households with a person who smokes fall below the poverty line, many of which will contain families, and if those people were to quit nearly 7,000 of households in Leeds experiencing poverty could be lifted out of poverty through income returned to the household.
- 10 An Equality Diversity Cohesion Integration screening has been completed and is attached. There are no issues to be addressed.

## How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 11 The proposal will contribute to achieving the Best City Ambition for Health and Wellbeing through the goal of “investing to ensure better and more equal access to essential services in health and learning, developed with and accessible for every community across Leeds”.
- 12 It is in line with the Best City Ambition’s Team Leeds approach, since the new service will be delivered as an element of a wider Leeds Integrated Tobacco Dependence Treatment Service. This is a collaboration of organisations in the city who are funded through NHS England and other schemes to provide tobacco dependency services, including Leeds Teaching Hospitals Trust, Leeds and York Partnership Foundation Trust and community pharmacists, to ensure the range of services meet the needs of service users, ensuring good access and seamless transition between providers.
- 13 With an estimated 32% of households with a person who smokes falling below the poverty line, reducing smoking prevalence will contribute to the Best City Inclusive Growth Ambition that looks to reduce poverty.
- 14 This service will also contribute to the Zero Carbon ambition, since it includes remote delivery options, and will operate from a number of sites to ensure easy access for service users, and therefore minimising the need to travel and encouraging the use of public transport. This helps to reduce carbon emissions and environmental pollution which contributes to city actions to better manage air quality. Furthermore, the type of interventions provided are aimed at improving health and well-being, including the prevention of hospital admissions which helps ensure we better manage our use of resource intensive (and high footprint) health and care services.

## What consultation and engagement has taken place?

Wards affected: All

Have ward members been consulted?

Yes

No

- 15 Public Health Programme Board was informed of the outcome of the tender evaluation on 7<sup>th</sup> September 2022.
- 16 The Executive Member for Public Health and Active Lifestyles was briefed on 21<sup>st</sup> September 2022 and is supportive.

## What are the resource implications?

- 17 The value of this decision is £3,643,000.00 for the initial 5-year contract period (total value of £5,828,800.00 if the extension is fully utilised). This sum is available from the Public Health budget.
- 18 It is considered to be essential spend because the service will help to prevent further costs to the council that arise from the economic and environmental impacts of smoking, for example through lifting households out of poverty and reducing litter.

## What are the key risks and how are they being managed?

- 19 Should the approval not be granted there would be a significant service gap once the current contracts end on 31<sup>st</sup> March 2023. There is an evidenced need for this provision and should it not continue to be delivered beyond the expiry of the current contracts, this would significantly affect the Council’s ability to address smoking prevalence in the city.

20 A mobilisation period has been built into the procurement timetable to ensure that the service can be fully mobilised before the start date of the new contract on 1<sup>st</sup> April 2023. The successful bidder has a proven track record and has been successfully delivering tobacco dependence interventions as part of the current healthy living service, therefore there will not be significant disruption.

### **What are the legal implications?**

21 The decision to award this contract is a direct result of a previous Key Decision (D55311) and is therefore a Significant Operational Decision and exempt from call in, in accordance with Article 13.4.2(c) of the Constitution.

22 The procurement has been undertaken in accordance with the Public Contracts Regulations 2015 and, the council's own Contracts Procedure Rules. Following evaluation, the panel believes that the contract should be awarded as set out in the recommendations of this report.

23 Appendix 1 to this report is confidential and exempt under Access to Information Procedure Rule 10.4(3) as it contains information relating to the business affairs of organisations involved throughout the process. It is felt that if disclosed these would, or would be likely to, prejudice the commercial interest of the bidders.

24 The contract will be managed by officers in Adults and Health. This will include regular reviewing of performance information and quarterly contract management meetings with the providers, at which any service delivery issues will be discussed.

25 Award of the contract will be subject to the satisfactory conclusion of the mandatory standstill period of 10 calendar days, on the basis that no challenge to the decision to award the contract to Reed Wellbeing Ltd is made.

### **Options, timescales and measuring success**

#### **What other options were considered?**

26 There was the option of ending the provision once the current contracts expire. However, smoking remains the leading cause of preventable illness and premature death in Leeds and stop smoking services are one of the most cost effective public health interventions available.

#### **How will success be measured?**

27 The Service will be subject to a robust Performance Management Framework which includes a number of Key Performance Indicators and other service delivery outcomes. All outcomes and indicators will be subject to review on an annual basis to reflect changes in demand and performance.

28 Contract management meetings will be held between Leeds City Council and the Contractor on a quarterly basis, or more frequently if required. They will cover topics such as service delivery and development, performance, finance, safeguarding, contract issues, and compliments and complaints.

29 The Service will also be monitored against Leeds City Council's Quality Management Framework which is structured around the themes of: Well-led; Performance; Safe; Effective; and Client Involvement.

#### **What is the timetable and who will be responsible for implementation?**

30 The mobilisation period will begin in October 2022.

31 The contract will begin on 1<sup>st</sup> April 2023.

## **Appendices**

- Confidential Appendix 1 – Tender Evaluation Summary
- EDCI screening

## **Background papers**

- N/A