



City of Westminster

Cabinet Member Report

Meeting or Decision Maker: Cllr Nafsika Butler-Thalassis, Cabinet Member for Adult Social Care, Public Health and Voluntary Sector

Date: 24 June 2024

Classification: *Part A – General Release **with confidential Part B***
Part B: Confidential/exempt

The Part B of this report is currently exempt from disclosure on the grounds that (i) it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, (ii) it contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings under paragraph of Schedule 12A of the Local Government Act 1972; (iii) and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Title: **Direct Award for the Integrated Healthy Lifestyle Service including an enhanced Stop Smoking Service and Support offer.**

Wards Affected: All

Key Decision: Yes

Report of: Bernie Flaherty, Executive Director ASC and Public Health

1. Executive Summary

- 1.1. A new Integrated Healthy Lifestyle Service (IHLS) is due to launch in November 2024, with procurement currently completing its final stage of approval. This paper sets out proposals for interim arrangements to ensure the uninterrupted delivery of service, including how the new, additional Local Stop Smoking Service and Support Grant (LSSSSG) will be used.
- 1.2. Approval is being sought to directly award the contract to the incumbent provider, Thrive Tribe Limited, for the provision of the Integrated Healthy Lifestyle Service across Westminster City Council (WCC) without further competition, as an interim measure to allow the conclusion of the re-procurement process and sufficient time for the mobilisation and implementation of the new contract award, without disrupting current services for residents.
- 1.3. It is anticipated that the full new service provision will commence by the 1st November 2024 for a period of Five (5) years to 31st October 2029.
- 1.4. In addition, approval is being sought to allocate additional funding to this contract to enable Thrive Tribe to deliver an enhanced service that will achieve the new stop smoking targets set by The Office for Health Improvement and Disparities (OHID). WCC has received additional funding in the form of the LSSSSG to enhance local stop smoking services and support over the next 5 years until 2029. A condition of the additional grant is that the existing level of investment in stop smoking services is maintained. As the local Stop Smoking Service is delivered as part of the Integrated Healthy Lifestyle Service, Thrive Tribe, the incumbent service provider is best placed to deliver this enhanced offer.
- 1.5. The enhanced smoking cessation service will be incorporated into this 10-month contract so that it can be delivered by Thrive Tribe in line with the main IHLS until the new service is in place.

2. Recommendations

- 2.1. That the Cabinet Member for Adult Social Care, Public Health and Voluntary Sector is recommended to agree:
 - To direct award a contract to Thrive Tribe Limited to deliver the Integrated Healthy Lifestyle Service from the 1st January 2024 to 31st October 2024 at a cost of £1,720,246.
 - A waiver of the requirements under the Procurement Code to conduct a competitive tender exercise regarding the above contract.
 - Further investment of £102,602 into the Integrated Healthy Lifestyle Service, for 6 months, between 1st May to 31st October 2024 to provide an enhance stop smoking offer to be funded from the Local Stop Smoking Service and Support Grant.

3. Reasons for Decision

- 3.1. This report is linked to the procurement strategy for the Integrated Healthy Lifestyle Service, which proposes an open procedure to procure new service provision to commence on 1st November 2024 for a period of 5 years until 31st October 2029
- 3.2. A direct award is required to allow sufficient time to conclude the procurement process and to mobilise the new contract without disrupting current service delivery.
- 3.3. The Office for Health Improvement and Disparity (OHID) has provided additional investment over the next 5 years until 2029, via the LSSSSG, to enhance local stop smoking services and support. OHID has set an expectation that this enhanced service will commence from 1 April 2024. Thrive Tribe, the incumbent provider, is best placed to incorporate this enhanced offer into the current service without delay.
- 3.4. The value of this ten month contract will incorporate the additional funding and the grant requirements set out by OHID for LSSSSG, as set out above.

4. Background, including Policy Context

- 4.1. Westminster City Council (WCC) commissioned Thrive Tribe to provide the Integrated Healthy Lifestyles Service in January 2019. The contract was for a term of three years from 1 January 2019 to 31 December 2021, with the option to extend for a further two years until 31 December 2023. This extension was exercised following a mid-point service review in 2021 and endorsed by the Commercial Gateway Review Board. The Invitation to Tender (ITT) was issued on 7 December 2023 and returned on 5 February 2024. The revised timetable anticipates that the new service will be in place by the beginning of November 2024 and therefore a 10 month contract is required until end of October 2024.
- 4.2. The Integrated Healthy Lifestyle Service is well embedded locally and works with a wide variety of partners from health, voluntary and community sectors. Thrive Tribe delivers a range of interventions focussed on residents living in the areas of highest deprivation, global majority groups, pregnant smokers, and people with mental health issues.
- 4.3. As of Q3 2022/23, seventy-six percent of service users from Westminster were from the top two quintiles of deprivation. Also, sixty-six percent service users were from global majority groups. This demonstrates that this service reaches residents who experience high levels of health inequality.
- 4.4. Thrive Tribe works in close partnership with Central Northwest London (CNWL) Community Mental Health Teams to provide a stop smoking service

and adult weight management for those with severe mental illness. The clinics where these services are provided are usually at full capacity and the service gets good feedback from clients. The provider works closely with primary care to support health checks.

- 4.5. The service also provides support across a range of programmes which includes:
- Stop smoking support to quit shisha smoking and consideration for stop vaping support and support for the use of NRTs and vaping to support a quit attempt.
 - Evidence based face-to-face treatment and behavioural support to aid smokers.
- 4.6. In 2022/23, Thrive Tribe exceeded their targets relating to the Stop Smoking Service and the Multiple Risk Programme, which incorporates physical activity, nutritional advice and psychological support. See below for performance details.

Table 1: Service Performance for 2022/23

KPI	Target	Achievement
KPI 1: 4 week quit target (Stop Smoking Service)	1000	1037
KPI 2: Number of people starting a MRF programme	650	682

- 4.7. OHID has provided additional funding via the LSSSSG to enable Local Authorities to enhance local stop smoking services and support over the next 5 years until 2029. As the local Stop Smoking Service is delivered as part of the Integrated Healthy Lifestyle Service, Thrive Tribe, the incumbent service provider is best placed to deliver this enhanced offer at this time.
- 4.8. The enhanced stop smoking service will be incorporated into this ten-month contract so that it can be delivered by Thrive Tribe, as part of the existing IHLS contract until the new service is in place on 1 November 2024.
- 4.9. This provider has successfully delivered the Integrated Healthy Lifestyle Service for the last five years. They have exceeded targets for engaging people in the City (as seen above) and have agreed to continue to deliver the service, in line with the existing terms and conditions, whilst the procurement process is completed and until the new service is in place.
- 4.10. As part of the Government’s policy agenda – “Stopping the start: our new plan to create a smokefree generation” - OHID has set all local authorities an ambitious target to increase the number of residents setting a quit date by

25% each year. This equates to an increase of 197 quitters, leading to 1,996 for WCC.

- 4.11. As the new service will not be operational until 1st November 2014 and this ambitious target need to be delivered in 2024/25, due to the restricted timeframe Thrive Tribe (the incumbent provider) has agreed to commence delivery of the enhanced service within the current model until 31st October 2024.
- 4.12. Value for Money (VFM) has been tested through an open competitive procedure for longer term service provision. VFM for the ten-month period has not been tested separately, however savings were achieved at the point of original tendering in 2019 when the service was remodelled (£267k per annum for WCC).
- 4.13. No inflationary uplift has been requested during the life of the contract and will not be requested for the 10-month direct award period.
- 4.14. Discussions with legal are underway to understand how best to incorporate the enhanced local stop smoking services and support into the ongoing procurement exercise.
- 4.15. A summary of the key contract details is below.

Procurement reference	P1410
Contract start date	01 January 2024
Contract end date	31 October 2024
Total contract value (inc and ex. VAT)	£1,780,960
Summary of Responsible Procurement commitments	RP commitments were given at the point of tendering for the previous contract and will continue to be delivered during the 10-month direct award period.
Does contract commit supplier to paying Living Wage?	Yes
Does the contract include Ethical Procurement Policy & Supplier Charter?	Will be discussed with provider prior to the direct award being signed.
Is the supplier classified as a SME? If yes, what is the size of the Company? e.g., Small, Medium	No
Is the Supplier classified as VCSE?	No

- 4.16. This service cannot be brought in-house while the procurement of the new service takes place. The ten-month period is not sufficient and the reason for going out to competition for the main contract apply equally to this 10 month proposal.
- 4.17. The service is not seasonal, with this being a core public health service a contract should be put in place as soon as possible.
- 4.18. Personal data is to be processed by the contractor as the Processor and the Council is the Controller of such Data under the Data Protection Act 2018.
- 4.19. Safeguards have been made for data processing as mentioned above.

5. Financial Implications

- 5.1. The funding for the proposed extension period of 10 months is available through existing contract budgets in WCC.
- 5.2. The table below provides a breakdown of funding available to support the 10-month direct award.

Table 2: Contract Value for Direct Award

Contract Name	Start Date	End Date	Total Value
Healthy Lifestyle Services WCC (Core, Health Checks, Smoking NRT, Vaping, FAME and Health Checks Pilots and Enhanced Stop Smoking Service)	01/01/2024	31/10/2024	£1,720,246

- 5.3. This will be funded by the annual ring-fenced Public Health grant received by WCC. In addition to this, there is a new annual funding allocation through LSSSSG of £280,971 in WCC to support this service. There is no impact on the council's General Fund budget.

6. Legal Implications

- 6.1. The services under the proposed procurement fall under the Social and Other Services under Part 3 of the Public Contracts Regulations 2015 ("PCR") and are governed by the Light Touch Regime. The proposed direct awards for both boroughs are above-threshold for the LTR regime (threshold currently being £663,540) and it is obligatory to publish such opportunity unless any exceptions under the PCR apply.
- 6.2. Such above threshold direct contract award to be compliant must fall within one of the grounds under Regulation 32 of the Public Contracts Regulation 2015 ("PCR"). Regulation 32 permits an above threshold contract to be awarded without public advert in three limited circumstances.

- 6.3. Regulation 32(2)(b)(ii) of the PCR enables the award of a public contract by a negotiated procedure without prior publication where the services can only be supplied by a particular economic operator where competition is absent for technical reasons.
- 6.4. Regulation 32(2)(b)(iii) of the PCR enables the award of a public contract by a negotiated procedure without prior publication where the services can only be supplied by a particular economic operator on the grounds of exclusive rights.
- 6.5. The grounds in Regulation 32(2)(b)(ii) and Regulation 32(2)(b)(iii) can be relied on only in the case where no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement.
- 6.6. Regulation 32(2)(c) of the PCR enables the award of public contracts by a negotiated procedure without prior publication “insofar” as it is “strictly necessary” for reasons of “extreme urgency” and the time limits (even on an expedited basis) for full procedures cannot be complied with.
- 6.7. Regulation 32(4) provides that under the above ground, the circumstances invoked to justify extreme urgency must not in any event be attributable to the contracting authority.
- 6.8. Sections 3 and 4 of the report set out the rationale as to why the Council may rely on these grounds.
- 6.9. Further Legal Implications have been provided in Part B of the report.

Waiver

- 6.10. If it is decided to award the contract, then a waiver from the competitive tendering requirement prior to contract award under Procurement Code is justified in the report for the obligation to continue to provide such healthy lifestyle services for the interim period while the re-procurement takes place and new contract awarded.
- 6.11. In accordance with Regulation 50 of the PCR, a contract award notice must be published no later than 30 days after the award of the contract.

7. Carbon Impact

- 7.1. A high-level risk assessment was undertaken by the Carbon Leads within the Responsible Procurement Team, and it was decided that no specific carbon criteria was required by this contract due to:
 - There is limited logistical impact/ leverage.
 - The Provider does not own the premises that they deliver services in and therefore have responsibility or influence over the energy efficiency of the buildings.

- There is minimal generation of waste.
- 7.2. Even though the risk assessment shows that carbon impact will be very minimal, in keeping with the Council's net zero ambitions and procurement policies, the new Integrated Health Lifestyles Service provider will need to demonstrate how they will work towards meeting the Council's net zero goals.

8. Equalities Implications

- 8.1. An Equalities Impact Assessment (EQIA) has been completed as part of this process and no groups are to be disadvantaged through this service. Attached in Appendix 1.

9. Consultation

- 9.1 This direct award is required as a stopgap whilst a new service is procured. Therefore, no consultation has been undertaken at this time. However extensive consultation has been undertaken, as part of the new Integrated Healthy Lifestyle Service re-procurement, which will be shared in due course.

If you have any queries about this Report or wish to inspect any of the Background Papers, please contact:

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Shazia Ghani, Head of Care Markets – Shazia.ghani@rbkc.gov.uk

APPENDICES

Appendix 1: Equality Impact Assessment

BACKGROUND PAPERS

- Part B Paper: Confidential background papers (i.e. papers not available for public inspection) should have an asterisk against them and an indication of the grounds for exemption.

NB: For individual Cabinet Member reports only

For completion by the **Cabinet Member** *for (add portfolio title)*

Declaration of Interest

I have <no interest to declare / to declare an interest> in respect of this report

Signed: _____

Date: _____

NAME: **[add Cabinet Member's name]**

State nature of interest if any:

(N.B: If you have an interest, you should seek advice as to whether it is appropriate to make a decision in relation to this matter)

For the reasons set out above, I agree the recommendation(s) in the report entitled

INSERT REPORT TITLE and reject any alternative options which are referred to but not recommended.

Signed: _____

Cabinet Member for *(add portfolio title)*

Date: _____

If you have any additional comment which you would want actioned in connection with your decision you should discuss this with the report author and then set out your comment below before the report and this pro-forma is returned to the Secretariat for processing.

Additional comment:

If you do not wish to approve the recommendations, or wish to make an alternative decision, it is important that you consult the report author, the Director of Law, City Treasurer and, if there are resources implications, the Director of People Services (or their representatives) so that (1) you can be made aware of any further relevant considerations that you should take into account before making the decision and (2) your reasons for the decision can be properly identified and recorded, as required by law.

Note to Cabinet Member: Your decision will now be published and copied to the Members of the relevant Policy & Scrutiny Committee. If the decision falls within the criteria for call-in, it will not be implemented until five working days have elapsed

from publication to allow the Policy and Scrutiny Committee to decide whether it wishes to call the matter in.