



Havering
LONDON BOROUGH

Notice of Non-Key Executive Decision

Subject Heading:	Adult drug and alcohol treatment and recovery service
Cabinet Member:	Councillor Frost, Cabinet member for Health and Adult Care Services
SLT Lead:	Mark Ansell, Director of Public Health
Report Author and contact details:	Daren Mulley, Senior Commissioning Manager T: 01708 433982 E: daren.mulley@havering.gov.uk
Policy context:	At a local level, this contract supports Havering Council meet its priorities in its Corporate Plan 2019/20. This plan sets out how the Council intends to invest and transform the borough with an emphasis on improving the lives of vulnerable children, adults and families. In summary, this contract ensures the Council fulfils its aim of ensuring that the needs of the most vulnerable are met and that people are supported to be healthy and active.
Financial summary:	The budget for this procurement will come from the Public Health grant. The proposed tender is to award a 5 year contract (plus up to 3 year extension option). It is proposed that the Council will go out to the market. For this tender, in total over the 8 year period, the budget will be set at a maximum of £11.2m. Bidders will be asked not to bid in excess of the maximum budget and will be encouraged to make efficiencies, find savings and bid lower than the available budget by assigning 40% of the score to the commercial evaluation.

Relevant OSC:	Public Health
Is this decision exempt from being called-in?	No

The subject matter of this report deals with the following Council Objectives

Communities making Havering	<input checked="" type="checkbox"/>
Places making Havering	<input type="checkbox"/>
Opportunities making Havering	<input type="checkbox"/>
Connections making Havering	<input type="checkbox"/>

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

The current contract for the provision of the adult drug and alcohol treatment and recovery service will end on 30th September 2020. This decision paper seeks approval to commence a full EU compliant tender process to award five year contracts (including 3 year extension option) for the provision of this service from 1st October 2020 to 30th September 2025.

AUTHORITY UNDER WHICH DECISION IS MADE

Havering Council's Constitution, Part 3.3 Powers of Members of the Senior Leadership Team; Contract powers (a) To approve commencement of a tendering process for all contracts above a total contract value of £500,000.

STATEMENT OF THE REASONS FOR THE DECISION

1. Background

With effect from 1st April 2013, Local Authorities became responsible for commissioning all drug and alcohol services. This transfer of responsibility supports Havering Council's responsibilities for meeting the needs of local people with regard to prevention of drug and alcohol misuse, providing appropriate quality and quantity of treatment services, and administering the best recovery services and pathways, which includes primary care, social care and criminal justice pathways, needle exchange services across the borough, psychosocial and pharmacological treatments and therapies, supported housing and pathways to relevant employment and education services, plus other physical and mental health services as appropriate.

2. Proposal

The proposal is to procure an adult substance misuse and community treatment service designed to reduce the substance related harm to individuals, families and communities in Havering and support their recovery. The service will deliver an appropriate response to meeting the needs of drug & alcohol users and will have a strong focus on recovery and prevention and will be critical in reducing the impact of problematic drug and/or alcohol use on individuals, families and carers, services and communities in Havering. In more detail, the service will include;

- a) Low intensity interventions and assertive outreach (engagement & reengagement including links to vulnerable groups such as those at risk of homelessness)
- b) Structured psychological interventions including structured individual key work and group work

- c) Clinical interventions: substitute prescribing and community detox; and interface with mental health services
- d) Harm reduction interventions (including prevention of transmission of blood borne viruses)
- e) Primary and secondary care liaison (including pathway with A&E & acute services)
- f) Criminal justice pathway (including links to courts, probation, prison, and MARAC processes)
- g) Volunteering and peer mentoring, and access to mutual aid support
- h) Support for recovery through access to education, training and employment opportunities, housing and benefits.

3. Project Management of the Tender

Ahead of the formal approval to tender, a project initiation document has been written and approved by the JCU's Programme Manager which outlines the structure and governance of this project to tender the care and support services. The project will be managed using the Councils Project Management toolkit adapted for the particular needs of this project. A formal project management structure will be established, including identification of peoples' roles and responsibilities.

The scope of the project will include:

- 1) Review of existing documents
- 2) Production of new documents
- 3) Managing the tender process
- 4) Evaluating bids
- 5) Awarding the contract
- 6) Preparing for the start of the new Contract

A Project Board will meet bi-monthly and be responsible for seeing that the project objectives are being achieved in a timely and effective manner. The Board will comprise of a number of key stakeholders including Public Health, Children and Adult Social Care, Community Safety, Police and Probation. The aim of the Board is to act as the formal body to supervise the tendering of the service carrying out the key functions below;

- a) Assess the needs of the local population with regard to drug and alcohol services
- b) Review current best practice re. prevention, treatment and reduction of harm relating to use of alcohol and drugs
- c) upervise the redesigning of the current service so as to ensure that it meets the needs of local people by offering effective and cost effective treatment and care and is attractive proposition to existing and prospective providers
- b) Supervise activities across the tender process whilst ensuring required documentation is returned within specified deadlines.
- b) Ensure that procurement is monitored and effectively follows the project plan, ensuring the tender activities are acted upon within strict deadlines.

- c) Supervise the preparation and completion of other relevant tender documents in alignment with requirements.
- d) Evaluate tender documentation to ensure compliance with the requirements of the Council's tender.

4. Procurement Approach

This procurement will be subject to and adhere to the Council's Contract Procedure Rules. The procurement followed a formal tender process in line with the EU procurement open process in accordance with the Public Contracts Regulations 2015, which require compliance with principles of non-discrimination, equal treatment and transparency.

Havering Council wishes to secure a new service that can deliver improved outcomes for adults needing support to reduce or stop their substance misuse. Havering Council will therefore be seeking suitably experienced organisations to bid for this contract. Experience for organisations interested in bidding is likely to be set as a minimum of 2 years' experience of delivering similar services. At this early stage of this tender and subject to further discussion with the Project Board (with any changes made before the tender documentation and OJEU notice is published), the Council will be seeking bidders to demonstrate their experience and ability to deliver a service that includes the following;

- a) Opportunities for innovation in service delivery and design through a flexible service offer designed to enable greater responsiveness to the changing needs of the treatment population.
- b) A focus on engaging opiate users with unmet need working with the community and organisations to increase the numbers of opiate users in treatment
- c) Better integration with partners across Havering; working with statutory, voluntary and community organisations, building on Havering's existing supportive environment
- d) Work with those opiate users who have become 'stuck' in treatment and break the cycle of dependence on substitute prescription doses, in order to increase successful opiate completions

At this stage, the key benefits of the procurement are as follows;

- a) Compliance with contract procedure rules and national regulations
- b) Sufficient market interest leading to a competitive tender that realises savings for the Council and offers value for money.
- c) Council awards contract/s and thereby fulfils its statutory duties in purchasing services.
- d) Contract/s in place leading to the new Provider mobilising for the provision of the service.
- e) New service leading to positive outcomes for adults who misuse drugs and alcohol.

The key issues for managing this procurement will be:

- a) Market engagement and interest from organisations to bid for the contract (currently five providers have responded positively to a Prior Information Notice).
- b) Ensuring the new service has sufficient financial resources to deliver its objectives whilst remaining good value for money for the Council.
- c) Ensuring the service is aligned with the Council's strategic and corporate priorities.
- d) Ensuring the service works in close partnership with key adult and children services.

In terms of the costs of this procurement;

- a) The budget for this procurement will come from the Public Health grant
- b) Budgetary provision and level of funding has been discussed and agreed with the Director of Public Health
- c) It is proposed that the Council will go out to the market with a similar budget from the previous tender that took place in 2015 (five year contract value was £6.6m). For this tender, in total (over 8 years), the budget will be set at a maximum of £11.2m.
- d) Bidders will be asked not to bid in excess of the maximum budget (i.e. £11.2m) and will be encouraged to make efficiencies, find savings and bid lower than the available budget by assigning 40% of the score to the commercial evaluation

With regards to the procurement timetable;

- a) The procurement will be an open procedure
- b) The project aims to publish the tender in December 2019
- c) The aim is for the new contract to be awarded in May 2020
- d) The service will be mobilised between June – September 2020
- e) The contract will begin on 1st October 2020 for a five year period (with two year extension option)

OTHER OPTIONS CONSIDERED AND REJECTED

1. Extend existing contracts; Contracts have already been extended and so this approach would contravene the Council's Contracts Procedure Rules.

2. Do nothing: Allowing the existing contracts to lapse would lead to a potential destabilisation of the current services. This is not a practical option and would lead to the Council not being fully compliant with its existing obligations to provide these services.

PRE-DECISION CONSULTATION

Key Executive Decision

The pre-decision consultation has involved engaging with a number of stakeholders for the tender. In summary, the following table presents the type, methods and stakeholders engaged in the pre-decision consultation;

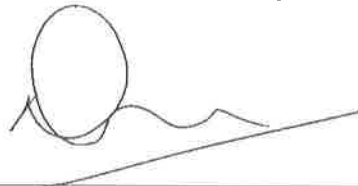
Type	Methods	Consultees
Project Board	Formal regular meetings phone, email	a) Public Health b) Joint Commissioning Unit c) Children Social Care d) Adult Social Care e) Housing Services f) Community Safety g) Police h) Probation Services i) Legal Services j) Procurement k) Finance l) CCGs
Review of Tender Documents	Desktop Research, Phone, Email, Meetings	a) Current Provider b) Service Users c) Joint Commissioning Unit d) Project Board members
Prior Information Notice	Notice published via the Council's procurement system	a) Current Care provider b) Other interested Providers in the market

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Daren Mulley

Designation: Senior Commissioning Manager

Signature:



Date: 1st July 2019

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

Local Authorities have a duty under Section 12 of the Health and Social Care Act 2012 to take such steps as it considers appropriate for improving the health of the people in its area including providing services or facilities for the prevention, diagnosis or treatment of illness. Officers intend to procure this adult drug & alcohol treatment and recovery service in accordance with such statutory duty.

The Public Contracts Regulations 2015 require contracts over the relevant financial threshold to be advertised via the Official Journal of the European Union (OJEU), and to be let competitively in accordance with transparent and non-discriminatory criteria.

The Authorised Procurement Officer has confirmed that the service described in this report is classed as a Light Touch Service in Schedule 3 of the Regulations. The relevant financial threshold for services of this nature is £615,278. As aforementioned in the Financial Summary and Financial Implications, the total estimated value of this contract is above this threshold. Therefore, a Contract Notice must be published in the OJEU as well as an advertisement on Contracts Finder.

Officers intend to use the restricted procedure to procure these services. Officers intend to depart from the Council's predetermined best price-quality ratio by evaluating the tenders received against a 40% price and 60% quality weighting; this has been approved by the Council's Checkpoint process.

The decision to award the contract to the successful tenderer will be a Key Decision due to the level of expenditure the Council will incur.

FINANCIAL IMPLICATIONS AND RISKS

The current contracts for Adult substance misuse has an annual budget allocation of £1,391,000, this is funded from the Public Health ring-fenced grant. If the budget allocated to substance misuse remains the same over the next 8 years, there will be a slight shortfall of £72,000 against the £11.2 million maximum budget set for the tender. If a shortfall materialises this will need to be funded from within the Public Health Service area, as bidders will be encouraged to make savings and find efficiencies it is possible this shortfall will not materialise.

The future of the Public Health grant beyond March 2020 is currently unknown, and the contract will need to include exit clauses to mitigate this risk. The future funding of the Public Health Grant is likely to be addressed through the Fair Funding Review.

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There are no implications or risks anticipated to council staff as the employees involved in the delivery of the current service are employed directly by the existing

Provider. Should the current provider not be successful then it would need to discuss the terms of the staff transfer with the successful provider in line with the Transfer of Undertakings (Protection of Employment) Regulations 2006" as amended by the "Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

This decision is to continue to invest in an integrated drugs and alcohol misuse service which is intended to improve the treatment and recovery of adults affected by drug and alcohol misuse. An Equalities Health Impact Assessment (EqHIA) has not been completed for this project as it is not changing, introducing a new service or removing a service. In addition, this project will have a neutral impact on the nine protected characteristics. The action undertaken in respect of the new contract will include monitoring how the service meets the needs of all eligible users, including those from ethnic minority communities and the disabled. The Council will also ensure that potential providers have undertaken equality training and adhere to the Council's Fair to All Policy or their own equivalent.

BACKGROUND PAPERS

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed



Name: Mark Ansell

Cabinet Portfolio held:

CMT Member title:

Head of Service title

Other manager title:

Date: 18th July 2019

Lodging this notice

The signed decision notice must be delivered to the proper officer, Andrew Beesley, Committee Administration & Interim Member Support Manager in the Town Hall.

For use by Committee Administration

This notice was lodged with me on 7/8/19

Signed A-m