



CABINET

Subject Heading:

Adult Drugs & Alcohol Service

Cabinet Member:

Councillor Jason Frost, Cabinet member for Adult Services and Health

SLT Lead:

Mark Ansell, Director for Public Health

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Policy context:

At a local level, this contract supports Havering Council meet its Communities Theme 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 contract will come from the Public Health grant. The proposal is to award a 5 year contract (plus up to 3 year extension option). In total, over the 8 year period, the contract value will be £10,608,216.

Is this a Key Decision?

Expenditure in excess of £500,000

When should this matter be reviewed? May 2024

Reviewing OSC: Individuals

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"/>

SUMMARY

- 1.1 The current contract for the provision of adult drug and alcohol services in Havering ends on 31st March 2021. The service needed to be re-commissioned as it provides vital care and support to vulnerable adults whom otherwise would have nowhere to go to access treatment and recover from misusing drugs and alcohol.
- 1.2 Following the tender, this Cabinet Report seeks approval to award a contract for the provision of the adult drugs and alcohol treatment and recovery service from 1st April 2021 to 31st March 2026.

RECOMMENDATIONS

2. That the Leader, after consultation with Cabinet:
 - 2.1 To award a five year contract to Bidder A (with a three year extension option) for the provision of adult drugs and alcohol treatment and recovery services from 1st April 2021 to 31st March 2026.

REPORT DETAIL

3. Background

- 3.1 Investing in effective prevention, treatment and recovery interventions is essential to tackle the harm that drugs can cause, help users overcome their dependency, reduce involvement in crime, sustain their recovery, and enable them to make a positive contribution to their family and community. Effective local services are those that provide welcoming, easy to access, flexible services that cater for the needs of a broad range of people and their different drug problems. They raise recovery-orientated ambitions and facilitate the progress of service users toward their recovery goals, while continuing to protect them from the risks of drug or alcohol misuse. They will encourage service users to complete their treatment as appropriate and when safe to do so.
- 3.2 With effect from 1st April 2013, Local Authorities became responsible for commissioning all drug and alcohol services. This transfer supports Havering Council's responsibilities for meeting the needs of local people with

regard to prevention of drug and alcohol misuse. This involves providing appropriate treatment and recovery services through robust and effective pathways, which includes primary care, social care, criminal justice, psychosocial and pharmacological treatments and therapies, supported housing, relevant employment and education services as well as other relevant physical and mental health services.

- 3.3 The current contract to deliver the adult treatment and recovery service commenced in October 2015 and was awarded to WDP (Westminster Drugs Project), an experienced specialist drugs and alcohol charity, with over 25 years of experience in the field. The service operates across two sites (known as Treatment and Recovery hubs) in central Romford and is open six days a week providing a range of treatment and recovery services. Between April 2018 - March 2019, there were 796 clients who were in treatment for drugs or alcohol misuse, the highest proportion of these clients were in treatment for alcohol misuse (36%) followed by those misusing opiates (29%) and non-opiates and alcohol (23%).
- 3.4 The vision for Havering's new contract is to maintain and develop an outcome-focused service that inspires and supports service users, their families and carers to believe in themselves and their recovery from problematic substance misuse. For Havering, recovery is not only the successful completion of treatment, but also the increased personal resilience and improved life outcomes for the service user. The service will achieve this by:
- a) Using innovative, evidence based approaches to support service users
 - b) Promoting positive opportunities to support people in recovery
 - c) Providing a clear and visible golden thread of recovery
 - d) Responding effectively, efficiently and flexibly to changing needs and trends
 - e) Targeting of resources to emerging priorities including outreach and prevention
 - f) Providing a family focused holistic service
- 3.5 The new contract for the adult drugs and alcohol treatment and recovery service will aim to reduce the substance related harm to individuals, families and communities in Havering and support their recovery. The service which will be based in central Romford, will deliver the following objectives;
- a) To provide personalised, accessible, and responsive service, offering greater service user choice and increased focus on prevention, early intervention, treatment and recovery
 - b) To deliver harm reduction initiatives to keep service users and the community safe
 - c) To deliver a confidential, non-judgmental and inclusive service that treats all service users with dignity and respect
 - d) To improve outcomes not only for service users, but also their children, families and carers by promoting positive family involvement and offering

support to families and carers

- e) To identify and safeguard service users, their families and carers
- f) To deliver services that are highly rated by service users and carers
- g) To provide evidence based, high quality, safe interventions delivered by a workforce with appropriate training and personal competences
- h) To provide interventions which contribute to the prevention of substance misuse related deaths and blood borne virus transmission
- i) To support the work of the local drug and alcohol prevention strategy and local drugs and alcohol partnership group.
- j) To improve employment, training and education prospects and ensure sustained employment opportunities

3.6 With this new contract, Havering Council aims to secure a new service that can deliver improved outcomes for adults needing support to reduce or stop their substance misuse. In more detail, the service will therefore include the following priorities;

- 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.

4. Procurement Approach

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

4.2 This procurement sought Suppliers that could demonstrate experience, skills and capability to provide the service specified in the tender. Havering Council therefore sought suitably experienced organisations to bid for this contract. Experience for organisations interested in bidding was set as a minimum of 2 years' experience of delivering similar services.

4.3 The budget for this contract will come from the Public Health grant. The

Council tendered this contract with a similar budget value to the existing contract. The budget was therefore set at a maximum of £11.2m for eight years. Bidders were asked not to bid in excess of this budget (i.e. £11.2m) and were encouraged to make efficiencies, find savings and bid lower than the budget. The emphasis on finding efficiencies was reinforced by assigning 40% of the score to the commercial evaluation.

- 4.4 Suppliers were therefore assessed on demonstrating the most economically advantageous price as well as a range of quality factors providing evidence of their ability to deliver high quality services, recruit and manage human resources, improve participation and outcomes, work in partnership effectively and ability to safeguard service users.
- 4.5 The Suppliers that contacted the Council in response to a Prior Information Notice in June 2019 and those that attended the Supplier Information Event in January 2020 were informed of the opportunity. Suppliers who expressed an interest in the tender were required to use CapitalESourcing, the Council's E-Procurement system to prepare and submit their bids. The Council published the required Contract Notice in January 2020.

5. Project Governance

- 5.1 In order to deliver this procurement, a formal project management structure and group was established in May 2019 which defined the scope of the project:
- a) Review of existing documents
 - b) Production of new documents
 - c) Managing the tender process
 - d) Evaluating bids
 - e) Recommending award of contract
 - f) Preparing for the start of the new Contract
- 5.2 The Project Group met bi-monthly and was responsible for seeing that the project objectives are being achieved in a timely and effective manner. The Group consisted of a number of key stakeholders including Public Health, Children and Adult Social Care, Community Safety, Police and Probation.
- 5.3 The aim of the Group was to act as the formal body to supervise the procurement of the contract 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) Supervise 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.

6. Evaluation

- 6.1 The evaluation focused on examining how the Suppliers would deliver a quality service (technical) and the cost of the service (commercial). Cost was evaluated at 40% of the total score. Suppliers submitted a cost for the service that was within the parameters set by the Council with scores weighted in favour of the lowest price.
- 6.2 The quality factors were weighted according to their importance with 60% percent of the total score assigned to quality. A minimum score of 60% was required to pass. The quality factors were;
- a) Service Delivery Model
 - b) Service Structure & Workforce
 - c) Service User Participation
 - d) Communications & Training
 - e) Managing and Responding to Safeguarding
 - f) Leadership in Partnership Working
 - g) Technology & Social Media
 - h) Data Management
 - i) Mobilisation Planning
 - j) Added Social Value
- 6.3 In total, 7 Suppliers completed and submitted their tender documents by the closing date of the first round of tenders on Friday 14th February 2020.
- 6.4 Project Board members evaluated the bids over a three week period from 17th February 2019 – 6th March 2020. Following this, evaluators met to agree the scores and recommend the award of contract. In summary, their respective scores are presented in the table below;

Bidder	Technical Score	Commercial Score	Total Score
Bidder A	83.4	100	90.04
Bidder B	82.8	97	88.48
Bidder C	73.8	98.315	83.606
Bidder D	73.8	94.747	82.179
Bidder E	71	97.711	81.684

Bidder F	63	94.818	75.727
Bidder G	59.2	95.27	73.628

- 6.5 Bidder A achieved the highest scores for both the technical and commercial envelopes. First, with regards to the commercial envelope, Bidder A submitted the lowest price which will lead to the Council making a saving of £519,783.86 over a contract period of eight years. Secondly, Bidder A's technical bid achieved high scores for its proposed service model, organisational structure, service user participation, safeguarding and mobilisation plans.
- 6.6 Once approved by Cabinet, all Suppliers who submitted bids will be informed of the Council's decision in writing via the Capital E Sourcing system. A mandatory standstill period of 10 days will then be in force for any Supplier to legally challenge the award process.
- 6.7 Following the end of the mandatory standstill period, the Contract with Bidder A will be ready to send out to the Provider for countersigning. On receipt, contract will be engrossed by the Council and a copy returned to the provider in March 2021. The Council will use a version of its standard terms and conditions for the provision of these services with appropriate break and contract modification clauses. The contract includes service specification requirements including the need for Supplier to report on outcomes and service performance.
- 6.8 An initial meeting will be arranged between the Council and Bidder A for January 2021. Ahead of this meeting, Bidder A will be expected to draft and present its risk management and mobilisation plans to the Council for the mobilisation period (January – March 2021) leading up to the formal start of the contract on 1st April 2021. Mobilisation meetings will be held regularly with Bidder A until May 2021. Mobilisation will also include discussions with the current provider in relation to the terms of the staff transfer 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.
- 6.9 Contract monitoring meetings will be monthly for the first six months and then revert to quarterly meetings. A lead Commissioner has been identified within the Council who will be the key liaison officer for the service and contract management. Each quarter, the provider will submit a pre-determined performance report ahead of each contract meeting along with an invitation to add any items to the agenda of each meeting. Each agenda will include fixed items including Management Information, Key Performance Indicators, Service Improvements, Complaints Monitoring, Risk Register, Health & Safety and Finance.

REASONS AND OPTIONS

Reasons for the decision:

Awarding this contract is being made for the following reasons;

- a) The current contract for the provision of adult drug and alcohol services in Havering ends on 31st March 2021. The service therefore needed to be re-commissioned as it provides vital care and support to vulnerable adults whom otherwise would have nowhere to go to access treatment and recover from misusing drugs and alcohol.
- b) Tendering the contract ensured that the Council complied with national and EU regulations in relation to the purchasing of services.
- c) The award of this contract will ensure that Havering gets better value for money.
- d) Robust arrangements will be in place to manage the contract effectively ensuring that there is a structured and transparent process for monitoring accountability, performance, outcomes and the quality assurance of the service.

Other options considered:

a) Do Nothing

This was not deemed as a viable option as the current contract expires on 31st March 2021 and doing nothing would result in the Council not having a contract in place for delivery of drug and alcohol treatment and recover services.

b) Extend the current contract

The contract has already been extended within the terms stipulated within the current contract, and so this approach would contravene the Council's Contracts Procedure Rules.

IMPLICATIONS AND RISKS

Financial implications and risks:

The combined budget for Adult Drug and Alcohol Services is an annual budget allocation of £1,391,000, this is funded from the Public Health ring-fenced grant. Awarding the contract to bidder A would produce an estimated saving of £520k over an 8 year period based on the current budget allocation.

The ongoing financial pressures relating to Outbreak Control Management of Covid-19 for 2021/22 onwards will add an additional cost on the Public Health Grant. The saving of £520k on current contract costs will help to alleviate these and other Public Health cost pressures in the medium to longer term, which are still to be evaluated.

The future of the Public Health grant in the longer term is currently unknown, and the contract will need to include exit clauses to mitigate this risk.

Legal implications and risks:

- 1.1 This report seeks Cabinet approval to award a contract for the supply of the adult treatment and recovery service. The relevant background is as set out within the body of this report and its appendices.
- 1.2 The Council is a local authority as defined by section 270 of the Local Government Act 1972. Section 1 of the Localism Act 2011 affords the Council a power of general competence “to do anything that individuals generally may do”. Section 2 of the same Act sets out the limits of that general power, requiring local authorities to act in accordance with statutory limitations or restrictions. The Council also has a general power under section 111 of the Local Government Act 1972, “to do anything which is calculated to facilitate, or is conducive or incidental to the discharge of its function”, including enter into the arrangements proposed in this report.
- 1.3 The Council has 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. Alongside a general duty under section 1 of the Care Act 2014 to promote the well-being of individuals. “Well-being” in relation to an individual is defined within the 2014 Act as including (b) physical and mental health and emotional well-being suitability of living accommodation.
- 1.4 Tenders were evaluated against a 60% quality and 40% price weighting. On 20th March 2020, the (Checkpoint) Gateway Stage 02 review panel considered the results of the tender exercise prior to award being made, in accordance with the Contract Procedure Rules (CPR) 8.3.
- 1.5 Under section 2.1(p) [General Functions of the Cabinet] of Part 3 [Responsibility for Functions] of the Council’s Constitution, it is responsibility of the Cabinet, “*To award all contracts above a total contract value of £10,000,000.*”

1.6 Notice of the contract award must be placed in the Official Journal of the European Union and the details must be entered on Contracts Finder.

Human Resources implications and risks:

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.

Equalities 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:

- a) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- b) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- c) 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.

The action to be undertaken in respect of the new contract will include monitoring how services meet the needs of all eligible users, including those from ethnic minority communities and disabled people. 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.

Health and Well-being implications and Risks

This contract will have a positive impact on the health and well-being of people who misuse substances. The new service will ensure that it supports adults achieve positive outcomes in their recovery from substance misuse, ensure access to high-quality health and social care services and reduce health inequalities related to these vulnerable groups:

- Alcohol users who are dependent, hazardous and problematic
- Opiate and Crack Users (OCUs)

- Non opiate and crack users (non-OCUs) – this includes, but is not limited to users of cocaine, cannabis, synthetic/legal highs, psychoactive drugs, over the counter medications and prescription drugs
- Service users in the criminal justice system with substance misuse problems

Through the contract, the Council will ensure that the service will deliver personalised care and peer support with the service user's involvement that helps them achieve their outcomes. Improving health and well-being will be an essential aspect of each service user's recovery plan and the Supplier will be required to support the following health and well-being outcomes;

- Promoting the independence of individuals to lead the life they wish
- Behaviour and lifestyle such as diet, exercise or self-care
- Mental health and wellbeing
- Access to and quality of education or other training opportunities
- Employment, income, opportunities for economic development
- Access to green space, sports facilities and opportunities to be active
- Opportunity to interact socially with other people, social isolation, community support networks and being able to live independently
- Ability to access health and social care services
- Transport, and connections to places within or between the Borough

The winning bidder achieved the highest in both technical and commercial scores, implying that the new service will be of the best in quality and value. To conclude, this contract will lead to an improvement in the quality of life, health and wellbeing for the service users.

BACKGROUND PAPERS

Not applicable