

Notice of Non-Key Executive Decision

Subject Heading:	Young People's Drug and Alcohol 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 3 year contract (plus up to 2 year extension option). It is proposed that the Council will go out to the market. For this tender, in total over the 5 year period, the budget will be set at a maximum of £600k.

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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 young people's drug and alcohol service will end on 31st March 2022. This decision paper seeks approval to commence a fully compliant tender process to award a three year contract (with the option to extend for up to two years) for the provision of this service from 1st April 2022 to 31st March 2025.

AUTHORITY UNDER WHICH DECISION IS MADE

Havering Council's Constitution, Part 3 [Responsibility for Functions]

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.

2. Proposal

The proposal is to procure a young people's substance misuse service designed to reduce substance related harm to individuals, families and communities in Havering.

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 Council's 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.

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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 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 Procurement, Public Health and Children's Social Care. 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) Supervise the redesigning of the current service so as to ensure that it meets the needs of young people.
- d) Supervise activities across the tender process whilst ensuring required documentation is returned within specified deadlines.
- e) Ensure that the procurement is monitored and effectively follows the project plan, ensuring the tender activities are acted upon within strict deadlines.
- f) Supervise the preparation and completion of other relevant tender documents in alignment with requirements.
- g) Evaluate tender documentation to ensure compliance with the requirements of the Council's procurement and contract procedures.

4. Procurement Approach

This procurement will be subject to and adhere to the Council's Contract Procedure Rules. The procurement will follow a formal tender process in line with the 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 young people 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 the tender and subject to further discussion with the Project Board (with any changes made before the tender documentation and notice is published), the Council will be seeking bidders to demonstrate their experience and ability to deliver a service.

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

- a) Compliance with Contract Procedure Rules and national Regulations to

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- reduce the risk of the decision being challenged
- b) Sufficient market interest leading to a competitive tender that offers value for money.
- c) Council awards contract and thereby fulfils its statutory duties in purchasing services.
- d) Contract in place leading to the new Provider mobilising for the provision of the service when the current contract expires, to ensure a seamless transition.
- e) New contract leading to positive outcomes for young people 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 children and young people services in Havering.

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 2016 (five year contract value was £610k). For this tender, in total (over 5 years), the budget will be set at a maximum of £600k.
- d) Bidders will be asked not to bid in excess of the maximum budget (i.e. £600k).

With regards to the procurement timetable;

- a) The procurement will be an open procedure
- b) The project aims to publish the tender in July 2021
- c) The aim is for the new contract to be awarded in November 2021
- d) The service will be mobilised between January – March 2022
- e) The contract will begin on 1st April 2022 for a three year period (with two year extension option)

OTHER OPTIONS CONSIDERED AND REJECTED

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1. Extend existing contracts: Contract has already been extended by the maximum term permitted and so this approach would contravene the Council's Contracts Procedure Rules.

2. Do nothing: Allowing the existing contract to lapse would lead to a potential destabilisation of the current service. 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

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;

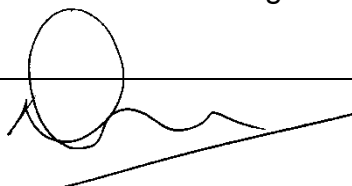
Type	Methods	Consultees
Project Board	Formal regular meetings phone, email	a) Public Health b) Joint Commissioning Unit c) Children Social Care d) Legal Services e) Procurement f) Finance
Review of Tender Documents	Desktop Research, Phone, Email, Meetings	a) Current Provider b) Service Users c) Joint Commissioning Unit d) Project Board members e) Schools f) Colleges g) CAMHS h) Youth Offending Service i) Early Help Service j) Children Social Care
Prior Information Notice	Notice published via the Council's procurement system	a) Current 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: 26th April 2021

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Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

This report seeks approval to undertake a procurement to provide substance misuse services to young people.

Section 12 of the Health and Social Care Act 2012 places a duty on the Council to take such steps as it considers appropriate to improve the health of the people in its area. This includes providing services or facilities designed to promote healthy living (whether by helping individuals to address behaviour that is detrimental to health or in any other way) and providing services or facilities for the prevention, diagnosis or treatment of illness. The Council intends to procure this service to comply with its statutory duty.

The Council has a general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do subject to any statutory limitations. The Council has the power under this section to agree to the proposals within this report.

The value of the proposed contract is £600,000 over 5 years. The service to be procured comes under the Light Touch Regime as set out in Schedule 3 of The Public Contracts Regulations 2015 (as amended) (PCR). The threshold for Light Touch Services is £663,540; therefore, this procurement is below the threshold and not subject to the full rigours of the Regulations. However the procurement must still comply with the treaty principles of equal treatment, non-discrimination and transparency and the Council's Contract Procedure Rules (see CPR 8,9,11 and 12). The Local Government Act 1999, requires the Council to make arrangements to achieve best value in the exercise of its functions.

Under paragraph 3.3 (Powers of Members of Senior Leadership Team) of Part 3 [Responsibility for Functions] of the Council's Constitution, members of the Senior Leadership Team (SLT) Director) have delegated authority to approve commencement of a tendering process for all contracts above a total contract value of £500,000.

FINANCIAL IMPLICATIONS AND RISKS

The spend for the Young's Person Drug and Alcohol service over the last three years is as below:

Year	Amount
2019/20	104,362
2020/21	106,000
2021/22	107,419

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This has been funded from the Public Health Ringfenced grant. The total allocated budget to the procurement of this contract of £600k for the 5 years of the contract equates to £120k per annum which is slightly more than the current annual allocated budget for this contract. However, the shortfall can be met within the existing resources of the Public Health Ringfenced Grant.

As this contract is grant funded there will be contract variation clauses and exit clauses written into the contract to mitigate the risk of the grant ceasing or significantly reducing.

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.

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.

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BACKGROUND PAPERS

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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

Details of decision maker



Signed

Name: Mark Ansell

CMT Member title: Director of Public Health

Head of Service title; ditto

Date: 21/05/21

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 _____

Signed _____