

Notice of KEY Executive Decision

Subject Heading:	Award of Contract for the Young People's Substance Misuse Service
Cabinet Member:	Councillor Jason 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 the Council to 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 service 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 existing public health grant. The value of the contract is £597,619 over the five years (3 + 2 years).

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Reason decision is Key	Expenditure of £500,000 or more
Date notice given of intended decision:	30 th November 2021
Relevant OSC:	Individuals
Is it an urgent decision?	No
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

This decision seeks approval to award a three year contract with an option to extend for two years for the provision of the young people's substance misuse service. The proposed contract commencement date is 1 April 2022 and the estimated total contract value is £597,619 over the five years (3 + 2 years).

AUTHORITY UNDER WHICH DECISION IS MADE

Power to authorise the award is delegated to members of the Senior Leadership Team under Part 3 (Responsibility for Functions), Paragraph 3.3 of the Council's Constitution as follows:

Contract Powers

- (b) To award all contracts with a total contract value of between £500,000 and £5,000,000.

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 and recovery services.

The Young Person's Substance Misuse Service contract will engage vulnerable young people and intervenes early to avoid or limit escalating risk and harm from substance misuse. The objective of the service will be to support sustained recovery by supporting young people, from entrance into the service to re-integration safely back into the wider community or adult services. This service will operate within the context and expectations outlined in the National Drug Strategy (2017). With regards to young people, this strategy is clear that a targeted approach with specialist services are needed for those most at risk of misusing drugs and to tackle the threats of new types of drug misuse.

In addition, evidence shows that young people's lives can improve when they have access to substance misuse services alongside support to address their wider health and wellbeing needs. This means that the commissioning and delivery of this specialist service must take place within the wider local children and young people system that meet a wider range of needs. This contract recognises that drug and alcohol services should be designed to support young people with effective joined up partnership support to tackle the complex needs experienced by service users.

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2. Project Management of the Tender

The project was 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. Throughout the project the following control measures were put in place:

- Reporting progress to the Project Board on a monthly basis
- Managing the progress of the project through the monitoring and delivery of a Project Plan
- Assigning tasks and managing these with a regularly updated Action Log
- Identifying and managing risks with a regularly updated Risk Log
- Communication to wider stakeholders on a monthly basis where deemed necessary.

A Project Board was responsible for seeing that the project objectives were being achieved in a timely and effective manner. The Project Board met on a monthly basis from March 2021 – October 2021 to supervise the tendering of the service carrying out the key functions below;

- a) Supervise the redesigning of the current service so as to ensure that it will deliver the required outcomes
- b) Supervise activities across the tender process whilst ensuring required documentation is returned within specified deadlines.
- c) Ensure that procurement is monitored and effectively follows the project plan, ensuring the tender activities are acted upon within strict deadlines.
- d) Supervise the preparation and completion of other relevant tender documents in alignment with requirements.
- e) Evaluate tender documentation to ensure compliance with the requirements of the Council's tender.

3. Procurement Approach

This procurement was subject to and adhered to the Council's Contract Procedure Rules and in accordance with the Public Contracts Regulations 2015 which requires compliance with the principles of non-discrimination, equal treatment and transparency. The procurement was an open procedure and fell within the Light-Touch Regime (LTR) rules for Health, Social, Education Services under the Public Contracts Regulations (i.e. the contract value is below £663k). The contract notice was published on Find a Tender Service and Contracts Finder. In more detail, the procurement timetable was as follows;

- a) Project Board developed and prepared tender documents in March 2021
- b) Tender was published in July 2021
- c) Project Board evaluated the bid in September 2021
- d) New contract to be formally awarded in December 2021
- e) The service will be mobilised between January and May 2022
- f) The contract will begin on 1st April 2022 for a three year period (with a two year extension option)

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4. Evaluation

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 30% 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. The quality factors were weighted according to their importance with 70% of the total score assigned to quality. The quality factors evaluated were:

- a) Service Delivery Model
- b) Service Structure & Workforce
- c) Achieving Positive Outcomes
- d) Service User Participation
- e) Managing and Responding to Safeguarding
- f) Partnership Working
- g) Social Value
- h) Mobilisation Planning

Only one supplier completed and submitted their tender documents by the closing date in August 2021. Project Board members evaluated the bid which concluded in October 2021 and held a moderation meeting to agree the final scores for the evaluation of the technical bids. At this meeting, the Board were able to agree on the most economically advantageous tender to recommend for award. The recommendation is to award the contract to Change, Grow, Live (Bidder A) who is the incumbent supplier. In summary, the scores of the bidder are presented in the table below:

Bidder	Technical Score	Commercial Score	Total Score
Bidder A	52%	30%	82%

Bidder A achieved high scores for both the technical and commercial aspects. Firstly, with regards to the commercial aspect, Bidder A submitted a price within the financial envelope provided by the Council. Secondly, Bidder A's technical bid achieved high scores for its proposed service model, managing positive outcomes, partnership working plans, safeguarding arrangements, social value plans and mobilisation plans.

Once approved, the supplier who submitted the bid will be informed of the Council's decision in writing via the Council's Procurement system. A mandatory standstill period of 10 days will then be in force for any supplier to challenge the award process.

5. Contract Award & Mobilisation

Following the start of the mobilisation period in January, the contract with Bidder A will be ready to send out for countersigning. On receipt of the signed contract it will be executed by the Council and a copy will be returned to the Supplier ahead of the contract commencement date. The Council will use a version of its standard terms and conditions for the provision of these Services with appropriate break and contract

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modification clauses. These terms and conditions were published with the tender. The contract includes service specification requirements including the need for the supplier to report on outcomes and service performance.

An initial meeting will be arranged between the Council and Bidder A in January 2022. 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 – May 2022) leading up to the formal start of the contract on 1st April 2022. Mobilisation meetings will be held regularly with Bidder A until May 2021.

6. Contract Management

Contract monitoring meetings will be held quarterly. A lead Commissioner has been identified within the Council who will be the key liaison officer for the service and contract management.

The supplier will also provide details of their contract manager within the terms and conditions. Each quarter, the supplier 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.

OTHER OPTIONS CONSIDERED AND REJECTED

1. Extend existing contract: The existing contract has already been extended as permitted 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

The pre-decision consultation has involved engaging with a number of stakeholders to prepare the tender. In summary, the table below presents the type, methods and stakeholders engaged in the pre-decision consultation:

Type	Methods	Consultees
Project Board	Formal regular meetings, phone, email	a) Joint Commissioning Unit b) Children Social Care c) Public Health d) Early Help Service e) Procurement

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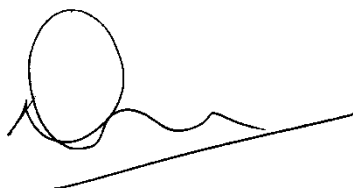
		f) Finance	
Review of Tender Documents	Desktop research, phone, email, meetings	a) Current Provider b) Local children and young people services c) Joint Commissioning Unit d) Project Board members	
Prior Information Notice	Notice published via the Council's procurement system	a) Current Provider b) Other 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: 15th November 2021

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

- 1.1 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, including enter into the arrangements proposed in this report.
- 1.2 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. It also has 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.
- 1.3 The procurement process appears to comply with the rules for Light Touch Regime contracts below the relevant threshold (£663,540); and to be in accordance with the Contract Procedure Rules. The (Checkpoint) Gateway Stage 02 review panel must consider the results of the tender exercise prior to contract award being made.
- 1.4 Notice of the contract award must be published on Contracts Finder.

FINANCIAL IMPLICATIONS AND RISKS

The total cost of the contract over the 5 years (3 years plus 2 years extension) is £597,619. This will be fully funded from the Public Health Grant.

£109,000 has been allocated from the Public Health Grant annually to fund the contract, over the 5 year this equates to £545,000 which has been earmarked for the current contract. An overall shortfall of £52,619 will need to be funded from the Public Health 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)

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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 Supplier. As the incumbent Supplier will be awarded the new contract 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 will not apply.

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.

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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HEALTH AND WELLBEING IMPLICATIONS AND RISKS

Havering Council is committed to improving the health and well-being of all residents including those most vulnerable. This contract will have a positive impact on the health and well-being of people who access the service.

The new service will ensure that it supports young people achieve positive outcomes, with access to high-quality health and social care services and reduce health inequalities related to these vulnerable groups through personalised support with the service user's involvement.

Positive impact is expected to be achieved by explicit requirement of the Supplier 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
- 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

None

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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

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed **add signature here**

Name: Mark Ansell

CMT Member title: Director of Public Health

Date: **xx** November 2021

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Committee Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____