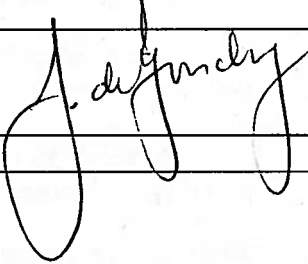


**Haringey** Council

<b>Report for:</b>	Cabinet 9 <sup>th</sup> July 2013	<b>Item Number:</b>	
<b>Title:</b>	Adult Substance Misuse Re-tender		
<b>Report Authorised by:</b>	Jeanelle de Gruchy, Director of Public Health		
<b>Lead Officer:</b>	Marion Morris, Drug and Alcohol Strategy Manager, Public Health		
<b>Ward(s) affected:</b>	All		<b>Report for Key Decision</b>

## 1. Describe the issue under consideration

1.1. This report details the outcome of a restricted tender process for the award of contracts to provide adult substance misuse services to local people experiencing drug and alcohol problems, their families, partners and friends. This report recommends the award of new contracts in 3 lots, in line with Contract Standing Order (CSO) 9.07.1(d) following a robust tendering process.

## 2. Cabinet Member introduction

2.1. In accordance with regulations under the Health and Social Care Act 2012, responsibility for commissioning substance misuse services became the responsibility of the LA in April 2013 as part of the move of Public Health into local authorities. The tendered services in this report have been commissioned from two grants: the public health grant and The Mayors Office for Policing and Crime (MOPAC) grant, following a recent successful business case to the Mayors Office to reduce drug and alcohol-related crime. Full details of the budget can be found at appendix one.

2.2. The award of these contracts will enable the council to meet their responsibilities to: improve the health and wellbeing of local populations and reduce health inequalities across the life course, particularly in hard to reach groups and reduce drug and alcohol-related crime in the borough.

2.3. I welcome the outcome of the procurement process which has delivered what it set out to achieve namely: to provide better value for money to the Council, achieve a degree of



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integration in drug and alcohol treatment provision – including integrating the Drugs Intervention Programme into wider service provision, simplifying routes into treatment and improving client control and choice by offering a degree of personalisation.

**3. Recommendations**

3.1. To agree the award of contracts to the successful tenderers in accordance with Contract Standing Order (CSO) 9.07.1(d) each for an initial term of 3 years with an option to extend for a period or periods of up to a further 2 years as follows:

Lot 1 - to Barnet Enfield and Haringey Mental Health Trust (DASH) to commence on 1<sup>st</sup> January 2014 for a 3 year contract, value of £7,471,406.00.

Lot 2 -to HAGA (Haringey Advisory Group on Alcohol) to commence on 1<sup>st</sup> January 2014 for a 3 year contract, value of £1,572,342.00.

Lot 3 – to St Mungos to commence on 1<sup>st</sup> January 2014 for a 3 year contract, value of £2,915,440.00.

**4. Alternative options considered**

4.1 The tendering of these services is part of Public Health's wider commissioning plan and an agreed Business Case for the tendering of drug and alcohol contracts. Council-held contracts in this tender exercise were extended by Cabinet in December 2012 for a period of nine months from April 2013 to facilitate the tendering process. NHS substance misuse contracts novated over to the Council by statute in April 2013 and also form part of this tender.

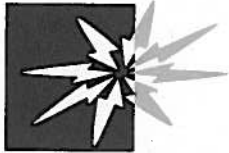
**5. Background information**

5.1. A report to Cabinet in December 2012 outlined the background and rationale for this tendering process. Briefly to recap: this tendering exercise has for the first time brought together major Council-held and former NHS substance misuse contracts and sought to reduce the number of contracts down from five to a maximum of three.

5.2. While the existing drug and alcohol treatment services are effective, opportunities exist to further improve performance, integrate parts of the treatment system that are currently separate and provide a degree of personalisation and therefore greater client choice and control.

5.3. This represents a major step forward for Haringey residents in the planning, commissioning, co-ordination, organisation, delivery and monitoring of treatment and advice services.

5.4. The new provision will enable a better response to changing drug and alcohol related need and trends in Haringey through the commissioning of a local cost, effective and high quality prevention, treatment and advice system. The services will also be more orientated to recovery. This will be achieved through commissioning targeted specialist provision and through provision linked with non-substance misuse services including primary care,



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adult and children services, criminal justice initiatives and education, training and employment schemes.

5.5. There are 3 lots in this tender: Lot 1 is the overall drugs lot and brings together 3 separate services, lot 2 is the overall alcohol lot and lot 3 is the recovery lot. A brief breakdown of services to be provided in each of the lots can be found at appendix 2.

5.6. In terms of capacity, the overall prevention and treatment system will provide:

- advice, information and prevention services to over 2,000 residents
- 1,200 problematic drug users will be engaged in structured drug treatment
- 600 people with alcohol dependency will be treated
- 200 substance misusers will be case managed by the Drugs Intervention Programmes' criminal justice intervention team, contributing to local reductions in crime and in particular acquisitive crime
- 1088 service users will be supported in the recovery service

Full details can be found at appendix 3.

5.7. Contract monitoring will be carried out in accordance with key performance indicators as set out in the contract conditions for these services. Performance is reported up to the Performance Management Group of the Community Safety Partnership Board and to the Health and Wellbeing Board.

5.8. The clinical and quality standards of these services are laid down by NICE guidance and Public Health England. Public Health (DAAT) undertakes audits against these standards to ensure they are compliant.

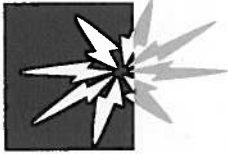
5.9. At an operational level the DAAT organises a clinical governance group which is attended by all service managers of local drug and alcohol services in the borough. This group reports to the Substance Misuse Commissioning Group which in turn reports to the Drug and Alcohol Partnership Board chaired by the Director of Public Health.

## 6. Procurement Process

6.1. This service is an EU Part B residual service and therefore it was not necessary to advertise this requirement in the Official Journal of the European Union. The procurement process started with an advert placed in a national newspaper and 'CompeteFor' (the electronic procurement system) inviting suitably experienced providers to attend a Meet the Buyers Day on 12<sup>th</sup> November 2012 and obtain a Pre Qualification Questionnaire available on CompeteFor on 6<sup>th</sup> December 2012.

6.2. The PQQ stage closed on 22<sup>nd</sup> January 2013: 11 companies applied and 10 companies were short listed for the Invitation to Tender (ITT) stage. The successful companies were then invited to tender.

6.3. The ITT stage opened on the 28<sup>th</sup> February 2013 and closed on the 10<sup>th</sup> April 2013. The Delta Electronic tendering system was used. Seven tenders were submitted through the portal. The tenderers were evaluated using the Most Economical Advantageous Tender (MEAT) with a split of 70% quality and 30% price.



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6.4. Service users from local treatment services were given training to help them take part in the evaluation process. In addition, clarification meetings were held with all seven tenderers from 30<sup>th</sup> April -2<sup>nd</sup> May with the procurement panel which again had service user representatives.

6.5. The tables below detail the successful tenderers for the respective lots. The evaluation panel of specialist officers marked Health and Safety, Environment, Finance and Safeguarding. Senior officers from Public Health, Adult Communities and Culture Services, Police, Probation, and service users from local drug and alcohol services who had undergone training evaluated Quality Method statements and Finance Officers evaluated price submissions.

**LOT 1 Adult Drug prevention and Treatment Services**

Lot 1 Tenders				
Tender	Price/Cost Scores out of 300 points	Quality Scores of 700 points	Total Scores	Contract Price figure over three years.
BEHMHT DASH	288	560	848	£ 7,471,406.00
Tenderer B	299	546	845	£ 7,176,060.00
Tenderer C	300	525	825	£ 7,167,395.00



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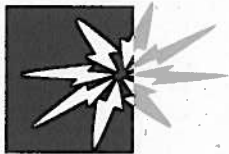
**LOT 2 Adult Alcohol Service**

Lot 2 Tenders				
Tender	Price/Cost Scores out of 300 points	Quality Scores of 700 points	Total	Contract Price figure over three years.
HAGA	270	630	900	£ 1,572,342.00
Tenderer B	273	455	728	£ 1,553,334.00
Tenderer C	300	427	727	£ 1,412,528.00

**LOT 3 Adult Recovery Lot**

Lot 3 Tenders				
Tender	Price/Cost Scores out of 300 points	Quality Scores of 700 points	Total	Contract Price figure over three years.
St Mungos	248	581	829	£ 2,915,440.00
Tenderer B	300	525	825	£ 2,414,574.00
Tenderer C	274	539	813	£ 2,641,349.00
Tenderer D	267	525	792	£ 2,713,634.00
Tenderer E	274	490	764	£ 2,644,299.00

6.6. That it be noted that the cost of the contract will be met from monies allocated to Public Health from external grant sources. Any variance in the allocated grants will be reflected in the annual cost of the contract.



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6.7. To note that in line with financial and procurement regulations the contracts will be for three years with the option to extend for two years.

### **7. Comments of the Chief Finance Officer and financial implications**

7.1. As part of the move of Public Health into local authorities, the Health and Social Care Act 2012 places the responsibility for commissioning substance misuse services with the LA. The tendered services in this report have been commissioned from two grants: the public health grant and The Mayor's Office for Policing and Crime (MOPAC) grant. The annual budget from these grants for the three lots is £4,059k and the average annual contracts spend is forecast at £3,992k so can be met from the proposed funding envelope.

7.2. It should be noted that grant funding has been confirmed for 13/14 & 14/15 (2 years) only although the current expectation is that a comparable grant will be available for the 3<sup>rd</sup> year of the contract. It is expected that any significant reduction will be managed via an amendment to the contract.

7.3. To note a saving of circa £200,000 will be made over the 3 year period subject to funding levels remaining steady.

### **8. Head of Legal Services and legal implications**

8.1. The services to which this report relates are Part B services for the purposes of the Public Contract Regulations 2006. As a result, it has not been necessary to advertise the tender of the services in the Official Journal of the European Union (OJEU).

8.2. Contract Standing Orders (CSOs) still apply and the services have therefore been tendered in accordance with CSOs. The restricted procedure provided for in CSO 9.01(b) was followed.

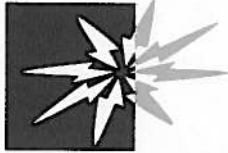
8.3. The services were tendered in 3 lots each of which will be awarded as a separate contract and are valued over £250,000. The award therefore requires the approval of the Cabinet in accordance with CSO 9.07.1(d)

8.4. Given that the contracts are also valued over £500,000, the decision to award them is a key decision and is required to be included in the Council's Forward Plan (in accordance with CSO 9.07.1 (e)). This has been done.

8.5. The Head of Legal Services confirms that there is no legal reason preventing Cabinet from approving the recommendations in paragraph 3 of this report.

### **9. Equalities and Community Cohesion Comments**

9.1. Promoting equality through contracts and commissioning is a key aspect of the Council's Equal Opportunities Policy and accords with the Council's public sector equality duty. A comprehensive Equalities Impact Assessment was undertaken as part of this tendering process and is available at [http://harinet.haringey.gov.uk/drug\\_and\\_alcohol\\_services\\_re-](http://harinet.haringey.gov.uk/drug_and_alcohol_services_re-)



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tender-2.pdf. The EqIA findings and gaps identified in current service provision were incorporated into the new service specifications.

9.2. In addition, the tender process included a Pre-Qualification Questionnaire stage which involved an evaluation of the tenderers from equalities perspectives to ensure that the successful tenderers are able to deliver the services in accordance with the Council's equal opportunities commitments. Policy and Equalities Team were involved in the evaluation process.

## **10. Consultation**

10.1. As part of the tender process a full consultation was undertaken with existing service users through a range of means, including focus groups and an on-line questionnaire. The findings from the consultation were again taken into account in the writing of the specifications. The results of the consultation are available on line:  
[http://harinet.haringey.gov.uk/index/social\\_care\\_and\\_health/health/publichealth/alcohol\\_support/consultation-drug\\_and\\_alcohol\\_services\\_2012.htm](http://harinet.haringey.gov.uk/index/social_care_and_health/health/publichealth/alcohol_support/consultation-drug_and_alcohol_services_2012.htm)

10.2. Service users were actively involved in the planning and commissioning of this new service system.

## **11. Head of Procurement Comments**

11.1. The procurement process has been carried out in line with the Procurement Code of Practice.

11.2. Contract management has been put in place with Key Performance Indicators to ensure contract compliance and mitigate the risk of poor performance.

11.3. A competitive process has been undertaken to test the market and ensure Value for Money.

11.4. Central Procurement have been involved in this process and support the recommendation.

## **12. Policy Implication**

12.1. These services are linked to the Health and Wellbeing and Community Safety Partnership strategies and respective delivery plans and the following council priorities: safety and wellbeing for all, opportunities for all, and a better Council.

## **13. Reasons for Decision**

13.1. The recommendations as outlined in 3.2, 3.3 and 3.4 are based on those providers who scored the highest MEAT scores and therefore would offer the best value to Council in terms of quality and price. The quality component of this tender was 70% and the price 30%. The quality component of these services is deemed to be of critical importance as part of the service provision is of a clinical nature and as such compliance with standards is crucial.



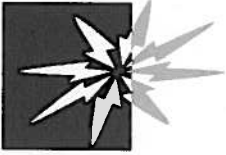
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13.2. As a result of the procurement exercise, which was carried out in accordance with the Procurement Code of Practice, it is now recommended that the successful tenderers being awarded contract(s) as outlined in 3.1 – 3.4 in accordance with CSO 9.07.1(d).

#### **14. Use of Appendices**

- 14.1. Appendix 1: Overall budget
- 14.2. Appendix 2: Services provided in each lot
- 14.3. Appendix 3: Service Targets





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## Appendix 1: Budget

Mayor's Office Grant (MOPAC)	£321,000
Public Health	£3,737,785



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## **Appendix 2: Brief Description of services to be provided in each lot**

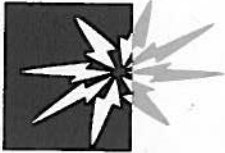
The principle of the treatment system is that a service user will have one key worker coordinating their care.

### **Lot 1 – Drugs**

- Specialist criminal justice team covering courts, prison, probation, alcohol IBA and EBI, key working and reduction of re-offending.
- Outreach and engagement services with BUBIC
- Harm reduction, pharmacy needle exchange
- Opiate substitute treatment (OST)
- Benzodiazepines treatment
- Engagement and stabilisation services for crack users
- Group and psychosocial interventions for cannabis users, stimulants users including legal highs
- Peer led and mutual aid
- Shared care
- Psychiatry support to the other lots
- Psychology input covering lot 1 and 3
- Friends and family services
- Community care assessment for drug users
- Joint reviews with lot 3

### **Lots 2 - Alcohol**

- Strategic work with the DAAT in areas including licensing
- Identification and Brief Advice (IBA) training and roll out
- Alcohol awareness and social marketing
- Hospital liaison



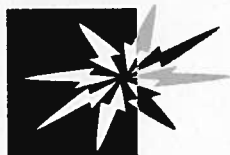
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- Community detoxification
- Peer led and mutual aid services
- Alcohol Treatment Requirement (ATR) assessment and provision and links to the criminal justice workers in lot 1 and to Probation.
- Short term counselling for those not requiring recovery services in lot 3
- Community care assessments alcohol

This service may also contain services commissioned by the council and the G.P.'s; these are not included within this tender

**Lot 3 - Recovery**

- Pre-contemplative recovery work with lots 1 and 2
- Abstinence and non abstinence based recovery day programs
- Peer led and mutual aid services
- Education, training and employment support
- Integrated service for poly users with lot 1
- Joint reviews with lots 1 and 2
- Key working
- Counselling
- Operate satellite services
- Coordination of personalised services
- personalised services outside of the tender but accessed in this lot
- Drug Rehabilitation Requirement Programmes



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### Appendix 3 Targets

#### Alcohol Service:

Description	Target
Number of service users in structured alcohol treatment a year	600
Proportion of planned exits for primary alcohol users leaving treatment <sup>1</sup>	45%
Number of service users completing a community detoxification a year	56
Successful completion of ATRs	70%

#### Recovery service

Description	Target
Number of service users using the recovery service a year	1088
Number of service users completing a DRR programme a year	Minimum of 65
Proportion of <b>opiate</b> users in treatment completing successfully <sup>2</sup>	20%
Proportion of <b>non-opiate (not incl. alcohol)</b> users in treatment completing successfully <sup>3</sup>	47%
Proportion of planned exits for primary <b>alcohol</b> users leaving treatment <sup>4</sup>	60%
Proportion of those leaving successfully not representing to structured treatment within 6 months	15% for opiate users and 7% non opiates

<sup>1</sup> The denominator includes everyone *leaving treatment* in a 12 month period

<sup>2</sup> The denominator includes everyone *in treatment* during in a 12 month period

<sup>3</sup> The denominator includes everyone *in treatment* during in a 12 month period

<sup>4</sup> The denominator includes everyone *leaving treatment* during a 12 month period



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### Drug Service

Description	Target
Number of service users in effective treatment (all adults) a year	1200
Proportion of <b>opiate</b> users in treatment completing successfully <sup>5</sup>	16%
Proportion of <b>non-opiate</b> users in treatment completing successfully <sup>6</sup>	30%
Proportion of those leaving successfully, not representing to structured treatment within 6 months	15% for opiate users and 7% non opiates
Reduction in reoffending	As agreed with MOPAC
Proportion of new presentations who accept the HBV offer have had a HBV Vaccination	75%
Proportion of Individuals in treatment with a history of injecting with a Hep C Test	90%

<sup>5</sup> The denominator includes everyone *in treatment* during in a 12 month period

<sup>6</sup> The denominator is everyone in treatment during in a 12 month period

