


**Report for:** Cabinet Member Signing 26 March 2018

**Title:** Request for approval to novate the contract for the provision of an Alcohol Support Service in accordance with Contract Standing Order (CSO) 9.07.1(d) and 10.3



**Report authorised by :** Charlotte Pomery – Assistant Director Commissioning

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**Ward(s) affected:** All

**Report for Key/  
Non Key Decision:** Key Decision

## 1. Describe the issue under consideration

- 1.1. This report requests Cabinet Member approval to novate the existing contract for the provision of an Alcohol Support Service from Haringey Advisory Group on Alcohol (HAGA) to Blenheim CDP (Blenheim) as allowed under Contract Standing Order (CSO) 9.07.1(d) “All contracts valued at £500,000 (five hundred thousand pounds) or more at the time of award may only be awarded, assigned, or novated by the Cabinet”; and CSO 10.03 “In circumstances permitted in Regulation 72 of the Public Contract Regulations or Regulation 43 of the Concession Contracts Regulations or where the value of a contract is below the applicable threshold pursuant to the Regulations the Council may agree to the novation or assignment of a contract”.

## 2. Cabinet Member Introduction

- 2.1. This report is required in order to support the merger of HAGA and Blenheim and to enable continuation of the delivery of the community and housing related support alcohol services to Haringey residents. Novation of the contracts as requested will avoid any break in services for vulnerable users with alcohol needs.

## 3. Recommendations

- 3.1. For the Cabinet Member for Adult Social Care and Culture to approve the novation of the existing contract for the provision of an Alcohol Support Service contract from HAGA to Blenheim in accordance with CSOs 9.07.1(d) and 10.03 so that the contract can continue to be delivered without interruption.

#### **4. Reasons for decision**

- 4.1. As of 1<sup>st</sup> April 2018, HAGA and Blenheim will merge and HAGA will cease to be an independent charity. All existing HAGA contracts will need to be transferred into Blenheim's name. This is an administrative change. Blenheim's contractual responsibilities will remain the same as HAGA's.
- 4.2. All HAGA staff members are moving into the merged organisation and so there will be continuity in terms of the staff delivering the Alcohol Support Service contract.

#### **5. Alternative options considered**

- 5.1. Not to agree to novate the contract. As the Alcohol Support Service would be disrupted, with a negative impact for service users, this option was dismissed.

#### **6. Background information**

- 6.1. The Haringey Alcohol Support Service provides outreach and engagement services to minimise harm from alcohol use and support abstinence. The service delivers support to service users to prevent homelessness and sustain independent living and to bring about improved health, social, economic wellbeing and community involvement outcomes. The Service has a wide strategic focus on prevention and early intervention, which minimises the need for more intensive interventions and complements other commissioned alcohol services. The service works closely with other providers and agencies to ensure a seamless service and delivers against the Council's priorities and cross cutting themes as set out in the Corporate Plan, Building a Stronger Haringey Together.
- 6.2. The outreach service prevents homelessness, minimises street drinking and alcohol related Anti-social behaviour and works in the community to raising awareness of the harmful affects of alcohol.
- 6.3. The engagement service is a non-clinical intervention, which reduces harmful levels of drinking or supports abstinence.
- 6.4. HAGA works with and on behalf of people, families and communities affected by alcohol. Founded in 1981, they are one of the very few in Haringey to focus exclusively on alcohol. Their services fall into three key areas: early intervention, treatment, and recovery.
- 6.5. Blenheim is a charity that provides support to over 10,000 drug and alcohol users, their families and carers across London. With over twenty projects across fourteen London boroughs, Blenheim provide a range of recovery services designed to meet the unique needs of individuals and their families, friends and communities.
- 6.6. Blenheim and HAGA share similar objectives and values, putting service-users at the heart of everything they do. Working together will mean that they will be

able to share resources, make cost savings, share knowledge, offer a wider range of innovative services.

- 6.7. HAGA made the Council aware that they would have to novate the contract over on the 5<sup>th</sup> March 2018.
- 6.8. Approval to award the contract was agreed at Cabinet for a value of £969,691 for an initial term of 2 years and 9 months on 10 November 2015.
- 6.9. The current contract with HAGA is due to expire on 31st December 2018. The value of the contract between 1 April 2018 and 31 December 2018 is £264,853.
- 6.10. There is an option to extend the contract on the same terms and conditions for a further period or periods of up to two years with a further value of up to £706,342 for two full years.
- 6.11. The Council will not be looking to take up the options to extend the contract. The Council is jointly recommissioning its substance misuse service - of which the alcohol Service is a part - and the new service is due to start on the 1<sup>st</sup> January 2019.

## **7. Contribution to strategic outcomes**

- 7.1. This service is linked to the Corporate Plan, Building a Stronger Haringey Together 2015- 18, in particular:
  - 7.1.1. Priority 2 – Enable all adults to live healthy, long and fulfilling lives: All residents will be as healthy as possible for as long as possible. Health related quality of life will improve over time ( including mental health and wellbeing).
  - 7.1.2. Priority 5 - creating homes and communities where people choose to live and are able to thrive: Prevent homelessness and support residents to lead fulfilling lives. More people, including vulnerable people and those with complex housing needs, will be able to maintain their tenancies successfully and have greater independence.

## **8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)**

### **8.1 Finance**

- 8.1.1 There are no financial implications to this proposal as the contract will be novated at current cost and will be funded from existing resources.

### **8.2 Procurement**

- 8.2.1. This contract novation is in line with the Council's Contract Standing Orders and the Procurement Code of Practice.

- 8.2.2. And it is one of the permitted modifications allowed under s72 1 (d) of the Public Contract Regulations provided that scope of the service including the duration of the contract and value remain the same, there are no further substantial contract modifications and that the new contractor would have met the same selection criteria as the original one
- 8.2.3. The scope of the service including the duration of the contract and value remain the same, therefore there are no procurement issues with this proposed novation.
- 8.2.4. Furthermore, novating the contract will minimise the risk of service failure, ensure compliance with service standards, as well as provide sufficient time for the re-commissioning of Alcohol Support Service with partners which should improve the Council's buying power and realise some cost efficiencies.

### 8.3. **Assistant Director of Corporate Governance**

- 8.3.1. The Assistant Director of Corporate Governance notes the contents of the report.
- 8.3.2. The award of the contract to HAGA for the sum of £969,691 was previously approved by Cabinet on 10 November 2015. Under CSO 9.07.1(d) Cabinet must approve the novation of a contract which was valued at over £500,000 at the time of the award, and under CSO 10.03 the Council may agree to the novation of a contract in the circumstances permitted under Regulation 72 of the Public Contracts Regulations 2015.
- 8.3.3. The novation of a contract following a merger is permitted under Regulation 72(1)(d)(ii) of the Public Contracts Regulations 2015, provided that the novation does not entail other substantial modifications to the contract. The service has confirmed that the terms of the contract will not be varied.
- 8.3.4. The novation of the contract is a Key Decision. The service has confirmed that a General Exception Notice will be issued as allowed under Part 4, Section D, Para 16 of the Council's constitution.
- 8.3.5. The Assistant Director of Corporate Governance sees no legal reasons preventing the Cabinet Member for Adult Social Care and Culture from approving the recommendations in this report.

### 8.4. **Equality**

- 8.4.1. The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:
- Tackle discrimination and victimisation of persons that share the characteristics protected under S4 of the Act. These include the characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex (formerly gender) and sexual orientation;
  - Advance equality of opportunity between people who share those protected characteristics and people who do not;

- Foster good relations between people who share those characteristics and people who do not.
- 8.4.2. This report relates to the novation of a contract that was already awarded for an alcohol support service through a competitive tendering process. The service by its nature provides support to vulnerable people, including those with the protected characteristics.
- 8.4.3. The contract specification clearly sets out the supplier's responsibilities under equalities legislation, including a requirement to have in place up to date equalities policies and to ensure that the service is accessible to all sections of the community.
- 8.4.4. The contractor had to demonstrate compliance with relevant equalities legislation through the tendering process. The contractor was also required to demonstrate how they would meet the needs of different service users and ensure the service provided would be accessible to all sections of the community. The contractor's compliance with equalities legislation will continue to be quality assured through regular contract monitoring and service review.
- 8.4.5 A full Equality Impact Assessment was conducted as part of the original tendering process. It found that clients of the alcohol detox service are more likely to be male, more likely to be older and more likely to be White British or White Other – including Irish and Eastern Europeans; however, women, younger groups and other ethnic groups also access the service and there is equality of access. The Alcohol Support Service is a service provided to some of the most vulnerable and excluded residents, including from the protected groups.

## **9. Use of Appendices**

9.2. None

## **10. Local Government (Access to Information) Act 1985**

10.2. Not Applicable