

Report for: Haringey Cabinet 15 November 2016

Item number: 15

Title: Contract extension of integrated Substance Misuse services

Report authorised by : Jeanelle de Gruchy

Lead Officer: Sarah Hart, ext 1450, sarah.hart@haringey.gov.uk

Ward(s) affected: All

Report for Key/ Non Key Decision: Key decision

1. Describe the issue under consideration

- 1.1. The report seeks agreement by Cabinet of the extension of three public health substance misuse service contracts. The contracts are for adult services, they were awarded by Cabinet for an initial period of three years, with an option to extend for a further 2 years, the current 3 year contracts end in December 2016.
- 1.2. The report recommends the award of contract extensions for 2 years in accordance with Contract Standing Order (CSO 10.02.2)

2. Cabinet Member introduction

- 2.1. Reflective of most of London, Haringey has a high prevalence of problematic substance misuse, which if untreated can potentially impact on any sphere of life: family, employment, education, social interactions and result in crime and antisocial behaviour. It is therefore important that the Council continues to fund substance misuse services providing early and ongoing help. The Haringey drug and alcohol treatment system was reviewed in 2013-14 and streamlined from five into the three adult contracts. Cabinet awarded these contracts for 3 years with an option to extend for a further 2 years. The specified outcomes have been met and the services remain busy and well used. I would therefore support the request to extend the contracts for a further 2 years.

3. Recommendations

- 3.1. In accordance with CSO 10.02.2 to agree the extension of the following contracts for 2 years:

Organisation	Service provided	Total value for life of the contract
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		extensions
HAGA	Alcohol misuse prevention and community treatment	£838,000 (start date 1 January 2017)
Barnet Enfield and Haringey Mental Health Trust (The Grove)	Drug misuse prevention and treatment plus criminal justice intervention programme	£4,844,000 (start date 1 January 2017)
St Mungo's	Substance misuse recovery services	£1,942,000 (start date 1 January 2017)

4. Reasons for decision

- 4.1. In 2013 three contracts were awarded by Cabinet for the provision of adult substance misuse services. The contract length was 3 years with the option to extend for a further 2 years.
- 4.2. The services are meeting expected outcomes (6.4 6.5). To ensure continued service improvement over the next two years, service users are currently conducting a review, the finding of which will be incorporated into an updated specification.
- 4.3. The contract extensions include further budget savings in 2017/18 of £170,000 for HAGA and BEH Mental Health Trust. These services will also help to generate an additional £100,000 in savings through offering more community based services, thus reducing the need for spot purchased residential services.

5. Alternative options considered

- 5.1. There is a competitive market for the provision of substance misuse services. This market consists of both NHS and not for profit organisations. When these services were tendered in 2013/14 there was good market engagement, with between 3-5 providers bidding for each service. Instead of extending the contracts Haringey could have returned to the market by retendering, it took the decisions not to for the following reasons;
 - Since the last procurement no new market opportunities in terms of technological changes or new providers, have arisen.
 - The current providers are delivering as per specification and working with the commissioner to innovate and make savings.
 - When benchmarked against other councils these services perform well in terms of outcome and the length of time it takes to complete treatment.
 - The current services have a skills mix of NHS and voluntary sector staff, which provides good, affordable services.
 - There is no intention at this stage to radically re-specify the services.

- Re-tendering creates anxiety within staff and service users, the types of services delivered within this contract rely on a strong stable relationship between service users and their key worker.

6. Background information

- 6.1. Haringey has a significant drug problem; in 2015 the estimated prevalence of crack cocaine and opiate users was 1,847 or 10.0 per 1,000 (Haringey Health Profile, 2015) whereas the national rate for England was 8.4 per 1,000. Those most vulnerable to problematic drug use, especially crack cocaine and heroin use, are more likely to live in deprived areas, suffer from mental ill health, live in poor housing and be involved in criminal activity (National Treatment Agency, Oct 2011). Haringey's profile of those in drug treatment reflects this, with the majority entering treatment coming from the most deprived wards.
- 6.2. The severity of crack and cocaine use of those entering treatment in Haringey is above the national average (National Drug Treatment Measuring System 2015). Drug use is linked to crime and so services are aimed at engaging with offenders, 25% of those currently in treatment entered via criminal justice services i.e. police and probation.
- 6.3. Haringey has high levels of problematic alcohol misuse, it is estimated that 10,000 residents are dependent drinkers with a further 60,000 drinking at levels that would require some level of alcohol intervention. Harmful alcohol use if not addressed leads to alcohol-related conditions, including cardiovascular disease, liver damage. It also contributes to problematic levels of alcohol-related crime and anti-social behavior.
- 6.4. Despite a national drop in those attending services, the levels of those entering treatment remains stable in Haringey.
- 6.5. In terms of capacity, the services are reaching targets provided in 2015/16:
- 2,000 plus adult residents were given advice, information and prevention services.
 - 1,196 problematic adult drug users were engaged in structured drug treatment, helping them to control and then reduce their drug use.
 - 600 alcohol dependent adults received alcohol treatment.
 - 200 substance misusers were case managed by the specialist criminal justice intervention team within the drug service, contributing to local reductions in crime and in particular acquisitive crime; reported re-offending rates for this group is 43% which is lower than national levels.
 - 1000 service users were supported in the recovery service to ensure that they did not relapse and need to re-enter treatment.
- 6.6. Outcomes are measured centrally by Public Health England:
- Of the total population of drug users in treatment in 2014/15 (n=1,169), 18% left treatment successfully against a national average of 16%. 89% of those leaving successfully did not return into treatment within 6 months, national average is a 88%

- 41% of the total number in alcohol treatment in 2014/15 (n=600) exited the service successfully, this is in the top quartile for the country.
- 6.7. The contracts will be monitored by the substance misuse commissioner in the public health team, service users feed into this through the Haringey User Network.

7. Contribution to strategic outcomes

- 7.1. The adult services are a key element of delivery of reduction in substance misuse which is an outcome within the Corporate Plan Priority 2 and reducing reoffending and antisocial behaviour contributes to Priority 3. This service is linked to the cross-cutting themes: 'Prevention and early intervention', 'A fair and equal borough', 'Working in Partnership' and 'Working together with communities'.

8. Comments of the Chief Finance Officer and financial implications

- 8.1. This report details the proposal to extend the substance misuse contracts recommending extension for a further 2 years.
- 8.2. The total value of the contracts proposed over the final two years of this contract is £7624k. Funding from the Public Health grant has been identified to commission these services withing the current MTFS.

9. Head of Procurement Comments

- 9.1. The Contractors have been providing a good service which has been regularly monitored by both service and its users. They have demonstrated service efficacy by meeting contract targets and reducing the level of substance misuse which compares favourably with national statistics and contributes to the Corporate Plan.
- 9.2. The recommendation for contract extensions will enable continuity of provision, provide additional efficiency savings and is line with the requirements of Contract Standing Order 10.02.2.
- 9.3. Service must, however, continue to ensure the contract is regularly monitored and key performance targets are met.

10. Comments of the Assistant Director of Corporate Governance and legal implications

- 10.1 The Assistant Director of Corporate Governance notes the contents of the report.
- 10.2 This is a key decision and the Service have confirmed this is on the Forward Plan.
- 10.3 The Assistant Director of Corporate Governance confirms there are no legal reasons preventing Cabinet from approving the recommendations in the report.

11. Equalities and Community Cohesion Comments

11.1. 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.

11.2. These contracts have been developed to address health inequalities as identified through the Joint Strategic Needs Assessment. A full Equality Impact Assessment was conducted as part of the tendering process. All providers collect data to monitor their fulfilment of equalities duties.

12. Use of Appendices

None

13. Local Government (Access to Information) Act 1985

N/A