

CABINET
20 DECEMBER 2019**DECISION TO AWARD CONTRACT FOR AN INTEGRATED
DRUG AND ALCOHOL SERVICE FOR ADULTS AND YOUNG
PEOPLE**

Relevant Cabinet Member

Mr J H Smith

Relevant Chief Officer

Director of Public Health

Recommendation

- 1. The Cabinet Member with Responsibility for Health and Wellbeing recommends that Cabinet:**
 - (a) notes the progress regarding the development and procurement of an Integrated Drug and Alcohol Service for Adults and Young People (the Service) in line with the decision of the Cabinet Member with Responsibility for Health and Wellbeing (CMR) 13 September 2019;**
 - (b) notes the final specification and tendering process which has been carried out in accordance with that CMR decision;**
 - (c) authorises the CMR to agree the outcome of the procurement process; and**
 - (d) authorises the Director of Public Health to finalise the terms of the contract by 1 April 2020 for commencement of the new service in consultation with the Interim Director of People and the Director of Commercial and Change and to take all necessary steps to put it into effect including cancelling the current contracts by 31 March 2020.**

Background

2. On 13 September the CMR for Health and Wellbeing agreed the re-commissioning of an integrated drug and alcohol service for adults and young people using monies from the Public Health Ring-Fenced Grant and a grant from the West Mercia Police and Crime Commissioner (PCC).
3. The CMR also agreed that:
 - a) a revised payment by results structure be adopted to incentivise good performance and penalise poor performance;
 - b) the Director of Public Health produce a service specification which will deliver renewed focus on integration between all parts of the current system; improve

- areas of below average performance; and deliver robust pathways across the system, including adults, children and young people, primary and secondary health services, criminal justice and voluntary organisations;
- c) the Director of Public Health undertake a procurement exercise for the service with a decision to award a contract to the successful provider to be awarded later in the year.

4. Drug and alcohol misuse have the potential to cause increased risk of harm to individuals, those closest to them and wider society. This includes impacts on physical or mental health and increased risks of homelessness, unemployment and criminality. The primary purpose of the drug and alcohol service is to prevent and reduce harm to service users, their families and wider society by providing access to information, early intervention and treatment, supporting people to achieve recovery, optimum health, wellbeing and community participation.

5. The provision of drug and alcohol treatment services will allow the Council to meet its duties as defined in legislation: Health and Social Care Act 2012, Care Act 2014 and Section 17 of the Crime and Disorder Act 1998 as amended. Reducing harm from alcohol at all ages is one of 3 priorities in the strategic plan for the Health and Wellbeing Board 2016-21. There is a requirement within the Public Health Ring-Fenced Grant (PHRFG) to provide services that improve the uptake of treatment and outcomes for people with drug and alcohol dependence.

6. Commissioning this provision in partnership with service users, peer mentors and volunteers is key to success. The commissioning of this Service is designed to align provision with other services for children, young people and families, including Worcestershire Children First; acknowledging that illicit drug and alcohol misuse can adversely impact on individuals, safe communities, health and social care outcomes. The service will also focus on prevention of harm including rapid access to treatment for people with complex needs including offending, prison in-reach and diversion from the criminal justice system.

7. The new integrated service will expand its approach and be responsive to the changing needs of people experiencing problems with addiction and dependence on drugs and alcohol. This includes providing a wide range of engagement and treatment options including psycho-social interventions, prescribing interventions, community detoxification, residential rehabilitation and peer support to help maintain recovery. The contract will ensure integration between all parts of the current treatment delivery system including NHS, pharmacy, criminal justice, housing, employment and voluntary organisations; improve areas of below average performance; and deliver robust pathways for adults, children and young people to enable improved outcomes for drug and alcohol problems.

8. Provision will include a dedicated young person's prevention, early intervention and treatment service, in addition to support for families affected by a member's illicit drug and alcohol use. Treatment options will include specialist prescribing, psychological interventions and support based in primary care and pharmacy services for adults facilitating access to treatment for co-occurring physical and mental health conditions.

9. A priority will be to engage with people not already in treatment including outreach to people with complex needs, using multi-agency approaches linked to

improving access to employment and housing. The new service will focus on upskilling professionals and close alignment with other commissioned services building community resilience supporting families, particularly the most vulnerable children and adults affected by adverse childhood experiences.

Procurement

10. In line with the Council's Procurement Code 2019-20, an open procedure procurement exercise has been undertaken with organisations being invited to tender in response to a notice published in the Official Journal of the European Communities (OJEU).

11. The tender opportunity closed on 21 November 2019 and bids are being evaluated and moderated in accordance with the agreed Terms of Reference for the tender.

Budget and Costs

12. The contract value is up to £20 million for 5 years with the option of the Council terminating the contract after 3 years. A PBR element at 2.5% of the contract value is applied to the contract over 5 indicators from year 1-5, to a value of measured against performance targets from the Public Health Outcomes Framework.

13. The contract is funded by the Public Health Ring Fenced Grant with an annual value of £4 million including a £106,000 contribution from the West Mercia Police and Crime Commissioner (PCC) in a grant award.

14. The PCC has confirmed continued funding contribution to this new service, commissioned by the Council. In addition, there is a requirement to use the PHRFG to provide a service to improve treatment uptake and outcomes for adults, children and families affected by drug and alcohol dependence.

15. The new Provider will be aware that the Council is operating in a time of financial restraint and the Provider will be required to implement a service model that is innovative and includes efficiencies during the lifetime of the contract.

16. The new contract will evidence cost avoidance equating to £1.23 million over 5 years since there has been an agreement that there will be no contract inflation uplift on the £4 million price year on year.

Risk Implications

17. There will be a termination clause in the contract to ensure that due notice can be served in the event of reduced availability of funding.

18. The contract will also include the option of variation in case of funding reductions and the expectation that the Provider demonstrates increasing efficiencies during the lifetime of the contract. Poor performance will be addressed through contract mechanisms including early termination, if required.

Public Health Impact Assessments

19. Public Health Impact Assessments have been completed - see Appendix A.

Privacy and Data Protection Impact Assessments

20. The Privacy impacts have been assessed under General Data Protection Regulations. The potential Public Health Impacts of current proposals have been assessed prior to commencement of procurement. The Service will contribute to improvements in the health of the population of Worcestershire. This will continue to be monitored under the new arrangements.

Equality and Diversity Implications

21. An equality relevance screening has been completed in respect of this recommendation prior to commencement of procurement. The screening has not identified any potential equality considerations requiring further consideration although this will continue to be monitored during the delivery of the new contract

Supporting Information (available electronically)

- Appendix A – Public Health Impact Assessment

Contact Points

County Council Contact Points

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Background Papers

In the opinion of the proper officer (in this case the interim Director of Public Health) the following are the background papers relating to the subject matter of this report:

Decision of the Cabinet Member 13 September 2019:

http://www.worcestershire.gov.uk/info/20085/local_democracy/650/cabinet_member_decisions_and_reports