Brent	**Cabinet** 14 August 2017 **Report from the Strategic Director of Community and Wellbeing**
For Action	Wards Affected: [ALL]

Authority to Tender a Contract for an Integrated Treatment Recovery Wellbeing and Substance Misuse Service

1.0 Summary

1.1 The responsibility for commissioning substance misuse transferred from Primary Care Trusts to local authorities on 1st April 2013.

1.2 On 1st March 2017 authority was given by Phil Porter, Strategic Director for Community and Wellbeing to extend the substance misuse contracts by one year commencing 1st April 2017 to allow for the service re-design, market consultation and retendering processes and to allow public health commissioning leads to develop a new integrated service. The extension of the substance misuse contracts enabled £215,000 savings to be made.

1.3 There are currently 6 substance misuse contracts to be retendered into a single contract.

1.4 This report is seeking approval to commence the procurement in accordance with Contract Standing Orders 88 and 89 of an Integrated Treatment Recovery and Wellbeing and Substance Misuse Service that continues to place a focus on treatment and recovery but also emphasises cost efficient attention to health and wellbeing particularly for those who are on long term secondary prescribing for opiate misuse.

2.0 Recommendations

For Cabinet:

2.1 To approve the preferred commissioning option as set out in Section 5 of this report

2.2 To approve inviting tenders for the new Integrated Treatment Recovery and Wellbeing and Substance Misuse Service on the basis of the pre tender considerations set out in paragraph 5.5 of this report

2.3 To give approval to Council officers to evaluate the tenders referred to in 2.2 above on the basis of the evaluation criteria set out in paragraph 5.5 of this report.

2.4 To delegate to the Strategic Director, Community and Wellbeing the authority to award for the Integrated Treatment Recovery Wellbeing and Substance Misuse Service in consultation with the Cabinet Member for Community Wellbeing following a compliant procurement process.

3.0 Detail

3.1 Brent Council Public Health retendered all its substance misuse services in 2014 and the new contracts for the Community Clinical Prescribing, Structured Day Care and Care Planned Services and Brent Outreach and Engagement, Criminal Justice Integrated, Treatment and Recovery and Young People Integrated Services were awarded on a two plus one plus one basis commencing 1st April 2017. The commissioning of substance misuse services is linked to the following Public Health Outcome Frameworks 2013-17;

a) Successful completion of drug treatment
b) People entering prison with substance dependence issues who were previously not known to community treatment services
c) Alcohol related admissions to hospital

3.2 There are currently 6 substance misuse contracts held by the following providers;

1. Community Clinical Prescribing Service provided by Central and North West London (CNWL) NHS Foundation Trust
2. Structured Day Care and Care Planned Services provided by CNWL NHS Foundation Trust
3. Brent Outreach and Engagement provided by Change Grow Live (CGL)
4. Criminal Justice Integrated Services provided by Westminster Drugs Project (WDP)
5. Treatment and Recovery provided by Addaction
6. Young People Integrated Services provided by Addaction

3.3 The combined budget available for this procurement for contracted services is £3.8m pa which represents a 10% efficiency against this budget area. The current annual values for the current contracts are as follows:

- Community Clinical Prescribing Service £1,846k
- Structured Day Care and Care Planned Counselling Services £256k
- Brent Outreach and Engagement Service £516k
- Criminal Justice Integrated Services £614k
- Treatment and Recovery Services £516k
- Young Peoples Integrated Services £393k.

3.4 Public Health is confident that a saving of 10% can be achieved by developing a bringing the current contracts together into a single contract and re-designing the service.

3.4 The financial allocations for certain elements which are not to be within the new integrated service are to be covered by the funding set aside for the spot purchasing of in-patient detoxification, residential rehabilitation services and GP prescribing costs via the Clinical Commissioning Group.

3.5 The service to be procure will lead on the delivery of the new national drug strategy. This will retain a focus on reducing drug related deaths, building on treatment and recovery capital and improving outcomes in relation to securing housing, employment, training and education. The service will provide a range of interventions in line with the 2017 Drug Strategy and NICE Guidelines to provide a range of interventions which are not only clinically safe but promote wider public health issues such as tackling blood born viruses (in particular hep b, hep c), opt out HIV testing and TB screening and working to reduce the number of drug related deaths and premature mortality for those who problematically (mis)use alcohol.

3.6 There are six key areas which are the cornerstones of a successful treatment and recovery system which the commissioned service will be required to deliver from 31st March 2018. These include:

- Clinical prescribing including relapse prevention
- Treatment and Recovery
- Structured day programme (both abstinence based and those seeking to be abstinent)
- Outreach and engagement
- Care Planned Counselling
- Criminal Justice Interventions

3.7 Brent has a well-developed treatment system which is recovery focused but also addresses the health and social care needs of those receiving secondary prescribing (where people are prescribed methadone as substitute for heroin). The National Drug Treatment Monitoring System (NDTMS) which is used nationally to measure performance and outcomes for drug and alcohol treatment showed that in 2016/17 there were 1729 local residents engaged in structured treatment interventions for problematic substance misuse, broken down as follows:

- 384 local residents who were primary alcohol users
- 298 local residents who were using Alcohol and non-opiate (crack and cannabis) users
- 201 local residents who were primary crack users with some cannabis use (referred to as non-opiate users)
- 679 local residents who were primary opiate users
- 167 Young People who used a range of services mainly for alcohol and cannabis

3.8 Engagement with substance misuse services is not statutory unless there is a requirement to attend via the criminal justice system or in certain child protection cases where there is an Order placed on parents to access treatment. The new service will be required to demonstrate how the service lead and the staff team employed will be more pro-active in engaging with vulnerable residents, regardless of age, to support interventions with a positive outcome on key areas such as involvement in gangs, violence towards women and girls, reoffending including youth offending, substance misuse related criminal and anti-social behaviour and a refreshed approach to supporting the operational delivery of the Working with Families Programme.

3.9 A key priority for the new service will be to reduce drug related deaths, Brent has an aging cohort of heroin users, many of whom started to use heroin in the 1980's and 1990's and who are now starting to experience the cumulative impact on their physical and mental health, which makes this cohort particularly susceptible to overdose. Similarly there is an ageing cohort of problematic users of alcohol. Key actions for the new service will be to;

- Ensure that complex needs are met through co-ordinating whole system approaches
- Maintain the provision of evidence based, high quality drug treatment and other effective interventions
- Maintain the personalised and balanced approach to drug treatment and recovery support
- Reflection on the practice used to ensure that risk is understood and there is no poor practice to increase risk.

Public Health England (PHE) have made a number a number of recommendations to ensure that the risk of drug related deaths is maintained through the following principles:

- Drug Treatment protects people from the harm of drug use including early death
- Local areas need to ensure that drug treatment is accessible, especially for those who may be harder to reach.
- Older heroin users have increasingly complex and social issues that need co-ordinated approaches.

3.10 To improve continuity across treatment interventions and to address the wider public health needs of a diverse population Brent Council Public Health is planning to unify the various modalities of intervention so that front line practitioners will be able to develop a wider range of skills and to provide flexibility in order to ensure that resources can be shifted to where there is most demand and need. The current model of service provision in Brent comprises a very developed and successful model of NHS and third sector provision but it is currently the case that over 50% of current investment is in clinical services where there is little movement towards recovery (less than 10% of people go onto complete recovery programmes).

3.11 Brent is currently in the top quartile of local authorities for successful completion of treatment and recovery programmes. The Council also has a duty of care to the cohort of people who are engaged in secondary prescribing i.e. for whom harm minimisation rather than completion of treatment and recovery is the primary aim of services However, Brent public health and service users have identified a need to move away from the current disproportionate investment in clinical services

4.0 Context

4.1 Performance against national and local targets is strong and generally better than the national average for key areas including successful completions, re-presentations to treatment and numbers retained within the treatment system. The Qtr. 4 Diagnostic Outcomes Monitoring Executive (DOMES) summary for 2016/17 shows that in the last year successful completions for those who were using opiates was 76 (11.2%)

up from 47 (6.8%) in 2015/16, Completions for non-opiates users was 80 (39.8%), up from 68 (35.2%), Completions for alcohol misusers numbers was 162 (42%), up from 153 (38.3%) in 2015/16 and for alcohol and non-opiates was 116 (38.95), up from 91 (33.1%) in 2015/16.

4.2 Contract management has focused on reducing re-presentations (those who come back into the treatment system within six months) and numbers have reduced from 2015/16, in total 15 people came back into the treatment system in 2016/17 compared to 20 people in 2015/16.

4.3 Retention rates, the proportion in treatment for over 12 weeks and the numbers who have completed treatment have also increased. For opiate use the retention rate is 97.4% up from 95.3 %in 2015/16 (National Average 94.7%). For non-opiates the retention rate is 94% up from 92% in 2015/16 (National Average 86.3%). And for alcohol the retention rate is 97.3% up from 92.6% in 2015/16 (National Average 87%).

4.4 There were no waiting times recorded for treatment in 2016/17 with the exception of alcohol where one person waited more than the national 3 week targets against 1729 entering the treatment system.

Areas for improvement

4.5 It is the view of the Council's Public Health officers that there is always scope to improve performance and one particular area is penetration rates. Locally. This is the proportion of the estimated numbers of people with substance use problems who are in contact with services. The estimated proportion of those people in Brent who are dependent on opiates and or crack cocaine who are in treatment is 42.5% (confidence intervals 34.9% to 55.8%) against a national rate of 50% (confidence intervals 49.4% to 51.3%).

4.6 The new service will also be required to include a significant offer for treatment and recovery pathways which provide links to employment, education, and training as well as supporting local people to secure accommodation (often referred to as Recovery Capital).

4.7 The 2016/17 NDTMS Adult Quarterly Activity Partnership Report indicated that across the treatment sector, Clients with no record of completing a course of Hepatitis B (HPV) vaccinations as a proportion of eligible clients in treatment at the end of the reporting period, was 75% (against a national figure of 71%) and for new presentations was 93.7% (against a national figure of 89%). For Hepatitis C (HCV) these figures are significantly lower with 11.6% of clients with no recorded test of Hepatitis C (against a national figure of 17.3%) and for new presentations 26.3% with no recorded test of Hepatitis C (against a national figure of 27.6%).

4.7 Performance on screening for and vaccinating for Blood Born Viruses needs to improve. Performance locally is around national averages. However Brent public health officers believe that national average performance is too low. Bringing the current work undertaken across the six current contracts into a single service should enable the new service to establish a single clinical lead and a coherent approach for BBVs

4.8 There are currently 6 contracts that need to be managed on a monthly/bi monthly basis with significant transaction costs to the small Council public health team.

Management of a single contract will allow a greater focus on prevention and early intervention.

Service user Involvement

4.9 A service design workshop was held on 20th June 2017 with B3 (the Service User Council for drugs and alcohol). This was attended by 30 local residents who were at various stages of their treatment and recovery. While service users have been and remain very supportive of the current services, a number of issues were raised including links with employment services notably Job Centre Plus; improved communication between providers and better co-ordinated pathways; opportunities for those in long term prescribing to enter recovery and a more developed understanding of the role of B3 and services users in developing aftercare pathways to abstinent based recovery. Services users also proposed that services should make more effective use of social media and apps. All these issues have been addressed in the service specification and evaluation criteria.

4.10 The new Integrated Treatment Recovery Wellbeing and Substance Misuse Service will include all the modalities of the current treatment system but will refocus on the imbalance between clinical services and treatment recovery services so that the service will have a more efficiently delivered "health and wellbeing" component which will primarily focus on clinical prescribing, clinical assessment, opt out HIV testing and screening for / vaccination against Blood Born Viruses working alongside a treatment and recovery model aimed at supporting people through to abstinence based recovery pathways.

5.0 Options

5.1 Option 1: This is the preferred option. An Integrated Community Substance Misuse Service will be commissioned with a lead provider working as part of an operational partnership or consortium who will provide clinical prescribing and BBV services, outreach and engagement, criminal justice, treatment and recovery, care planned counselling, and structured day programme services. This is the option favoured by B3 service users.

5.2 Option 2: Direct Service Delivery by the Council. There is no rationale for the council providing the service directly, as the relevant skills lie within the health and voluntary sector and the Council lack the clinical infrastructure / registration to allow it to provide clinical services (e.g. medicines management)

5.3 Option 3: Joint commissioning with CCG. This could facilitate commissioning for dual diagnosis. However this would require the development of joint commissioning arrangements which would not allow the Council to implement the new service model and realise 10% savings for 18/19.

5.4 Option 4: Joint commissioning with another neighbouring local authority(ies). Our neighbouring authorities have very different patterns of drug use (as assessed by PHE) and their contracting cycles would preclude Brent implementing our desired new service model and realising savings for 18/19

5.5 Option 5: Decommissioning. While drug and alcohol services are a non-mandated public health service, decommissioning would leave local residents (of whom 1752 accessed the service in 16/17) without access to treatment and recovery with the

consequent pressure on primary care, A&E, the criminal justice system and social care and housing services.

5.6 In accordance with Contract Standing Orders 88 and 89, pre tender considerations for Option 1have been set out below for the approval of the cabinet**.**

Ref.	Requirement	Response	
(i)	The nature of the service.	Delivering the Integrated Substance Misuse Service	
(ii)	The estimated value.	£3.8 annually; projected total estimated value over 6 years = 22,800,000	
(iii)	The contract term.	4 year contract with the option to extend annually for a further two years	
(iv)	The tender procedure to be adopted.	The Procurement route to be followed will be Competitive Procedure with Negotiation and will require an OJEU Publication in line with the Public Contract Regulations 2015 – this will allow the Council the opportunity to negotiate on the service delivery, financial model and contractual terms should they require	
v)	The procurement timetable.	**Indicative dates are:**	
		OJEU Notice, Selection Questionnaire (SQ) and ITPN	05/09/2017
		Deadline for SQ and ITPN	05/10/2017
		SQ Evaluation and shortlisting to 5 providers	21/09/2017 – 25/09/2017
		ITPN evaluation and shortlist to 3 bidders	18/10/2017 – 02/11/2017
		Negotiation phase (the council reserves the right to negotiate if required)	14/11/2017 – 29/11/2017
		Call for Final Tenders	04/12/2017
		Evaluation of final tenders	11/12/2017 – 16/12/2017
		Report recommending Contract award circulated internally for comment	20/12/2017 – 05/01/2018

<table>
<tr><th>Ref.</th><th>Requirement</th><th colspan="2">Response</th></tr>
<tr><td rowspan="3"></td><td rowspan="3"></td><td>Award Contract</td><td>26/01/2018</td></tr>
<tr><td>Contract Mobilisation</td><td>27/01/2018 – 31/03/2018</td></tr>
<tr><td>Contract start date</td><td>01/04/2018</td></tr>
<tr><td>(vi)</td><td>The evaluation criteria and process.</td><td colspan="2">1. At selection stage shortlists are to be drawn up in accordance with the Council's Contract Procurement and Management Guidelines by the use of a selection questionnaire to identify organisations meeting the Council's financial standing requirements, technical capacity and technical expertise.
2. At tender evaluation stage, the panel will evaluate the tenders against the following criteria:
Quality: 40% delivery of service
• Service Delivery
• Clinical Governance
• Contribution to Council Wide Priorities
• Recovery capital and social determinants of Health
• Flexibility and Innovation
• Mobilisation and Transitional Period

Social Value 10%
Price: 50%</td></tr>
<tr><td>(vii)</td><td>Any business risks associated with entering the contract.</td><td colspan="2">Financial Services and Legal Services have been consulted concerning this contract and have identified the risks associated with entering into this contract set out sections 6 and 7 of the report.]</td></tr>
<tr><td>(viii)</td><td>The Council’s Best Value duties.</td><td colspan="2">The adoption of a competitive tendering process will ensure the council achieves best value for money from this tender.</td></tr>
<tr><td>(ix)</td><td>Consideration of Public Services (Social Value) Act 2012</td><td colspan="2">See Section 10 below. In accordance with the social value policy 10% of the overall marks will be awarded for social value benefits</td></tr>
<tr><td>(x)</td><td>Any staffing implications, including TUPE and pensions.</td><td colspan="2">See section 9 below.</td></tr>
<tr><td>(xi)</td><td>The relevant financial, legal and other considerations.</td><td colspan="2">See sections 6 and 7 below.</td></tr>
</table>

5.7 Experience of procurement of public health services has shown that allowing a negotiation phase, as per the above timetable, has produced significant improvements in price and quality over bidders' first submissions. In order to allow sufficient time for robust negotiation and for the new contract to go live from 1/4/18, Cabinet is asked to delegate to the Strategic Director, Community and Wellbeing the authority to award the contract in consultation with the Cabinet Member for Community Wellbeing

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6.0 Financial Implications

6.1 The estimated value of this contract is £3,800,000 annually (4 year contract with a further option to extend for a further two years) with a start date of 1.04.18 the combined budget available for this procurement is £22,800,000.

6.2 It is anticipated that the cost of this contract will funded from the public health budget of 3.8m. This amount already includes a 10% efficiency target set against this budget area. It is anticipated that these efficiencies can be found as a result of going for a single Integrated Community Substance Misuse Contract. This would be delivered by having a lower ceiling price which would be needed to be confirmed during this procurement

7.0 Legal Implications

7.1 Public Health services are classed under the Public Contract Regulations 2015 ("the EU Regulations") as a Schedule 3 service and as such are not subject to the full application of the EU Regulations, rather the services will be subject to the 'light touch regime' thereunder. The current EU threshold for Schedule 3 services is £589,148. As the estimated value of the proposed contract is likely to be in excess of the threshold and therefore deemed a High Value Contract under Brent Contract Standing Orders ("CSOs"), Officers are required to advertise the service requirement in the Official Journal of the European Union ("OJEU") and follow the applicable rules for tendering and selection under the EU Regulations. Accordingly, regulation 76 (7) of the EU Regulations permits contracting authorities to apply any one of the set procedures for tendering (with or without variations), on this basis officers have elected to utilise the Competitive Procedure with Negotiation.

7.2 It is proposed to use one of the new processes (introduced by the EU Regulations) Competitive Procedure with Negotiation throughout the tendering exercise which, Officers assure will ensure good quality services are procured at a competitive price. However, officers must ensure that in using this procedure they draw up a specification stating the council's service requirements which, sets out which parts of those requirements are minimum requirements that all prospective tenderers are obliged to meet to enable participation in any negotiation process subsequent to officers receiving initial tender bids. In addition, by using this process, the council must specify the contract award criteria (including any weightings) and provide sufficiently precise information to enable prospective tenderers to identify the nature and scope of the procurement so as to enable them to decide on whether or not to request to participate in the tender exercise.

7.3 For High Value Contracts, the Cabinet must approve the pre-tender considerations set out in the table at paragraph 5.5 above (CSO 89) and the inviting of tender (CSOs 88).

7.4 Moreover, officers are seeking Member approval to grant delegated authority to the Strategic Director, Community Wellbeing (in consultation with the Lead Cabinet Portfolio member), to enter into the proposed Integrated Treatment Recovery Wellbeing and Substance Misuse Service. Members are empowered under the Constitution to grant such delegations and Officers have set out the reasons behind requesting such delegations within the body of this report.

7.5 As this procurement is subject to competition in the OJEU, the Council must observe the requirements of the mandatory minimum 10 calendar standstill period imposed by the EU Regulations before the proposed contract can be awarded. The requirements include notifying all tenderers in writing of the Council's decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council's award decision if such challenge is justifiable. However if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the contract mobilisation may commence.

8.0 Equalities Implications

8.1 The proposals in this report have been subject to screening and officers believe that there are no equalities implications.

9.0 Staffing/Accommodation Implications (if appropriate)

9.1 This service is currently provided by external contractors/service providers and there are no implications for Council staff arising from retendering the contract. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) ("TUPE") is likely to apply where there is a service provision change in the service contractor. Should TUPE be applicable the Council will act as a conduit of information between the outgoing and incoming providers so as to help ensure a smooth and seamless transition of the services.

10.0 Public Services (Social Value) Act 2012]

10.1 Since 31st January 2013 the council, (in common with all public authorities subject to the EU Regulations), has been under a duty pursuant to the Public Services (Social Value) Act 2012 to consider how the services being procured might improve the economic, social and environmental well-being of its area; and how, in conducting the procurement process, the Council might act with a view to securing that improvement, and whether the council should undertake consultation. This duty applies to the procurement of the proposed contract as the light touch regime over the threshold for application of the EU Regulations are subject to the requirements of the Public Services (Social Value) Act 2012. In accordance with the council's Social Value Policy, 10% of the award criteria will be reserved for social value considerations to be contained in the tender documentation.

11.0 Background Papers

11.1 None.

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