

CABINET

8 MARCH 2016

GATEWAY 4 PROCUREMENT CONTRACT REVIEW: YOUNG PEOPLE'S COMMUNITY SUBSTANCE MISUSE SERVICE IN MEDWAY

Portfolio Holder: Councillor Mike O'Brien, Children's Services

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SUMMARY

This report reviews the progress of the contract currently delivered through the supplier as highlighted within 1.1 of this Report.

This Gateway 4 Report has been approved for submission to the Cabinet after review and discussion at the Children and Adults Directorate Management Team meeting on 22 December 2015 and the Procurement Board on 17 February 2016.

1. BACKGROUND INFORMATION

1.1 Budget & Policy Framework

1.1.1 The Young People's Community Substance Misuse Service in Medway is a 'Services' contract which was awarded to Open Road by the Cabinet on 13 May 2014 on a 3 years + 2 years option to extend basis. The contract commenced on 1 September 2014.

1.2 Contract Background Information

1.2.1 The Gateway 1 report by the Partnership Commissioning Team sought permission to commence the procurement of a substance misuse service for young people in Medway. The report provided background and context to the services that are currently delivered and options for the future delivery of these

services so that officers could proceed with the commissioning of a consolidated substance misuse service for young people in Medway.

1.2.2 The service includes:

- Early intervention for vulnerable young people
- Named drug worker with the Youth Offending Team
- One-to-one support and treatment
- Support for young people who require prescribing and needle exchange services provided by Medway's Adult Integrated Substance Misuse Service
- Drug use screening tool (DUST) training for the wider children's workforce and consultation for professionals and parents/carers
- Defined processes to ensure that the Child Assessment Framework (CAF) and Team around the Child (TAC) are followed
- A robust transition policy for 19 year olds transferring to adult services
- Protocols for working with mental health services for those young people with dual diagnosis.

1.2.3 The procurement exercise provided the opportunity to deliver a cohesive young people's substance misuse service in Medway, with the potential for saving costs by amalgamating the current service level requirements into one specification to be tendered.

1.3 Funding/Engagement From External Sources

1.3.1 This is set out in the exempt appendix.

2. STATUTORY/LEGAL OBLIGATIONS

2.1 Statutory/Legal Obligations

2.1.1 Although the commissioning of the young people's substance misuse service is supported by Local Authorities, it is not required under statute; the commissioning of these services is seen as a significant part of the Government's 2010 Drug Strategy and the Council's Strategic Priorities and Obligations. Medway's Joint Health & Well Being Strategy 2012-17 identifies that the harmful use of alcohol and drugs as one of six key risk factors which affect health and wellbeing, and in order to give every child a good start improved prevention, treatment and care for young people misusing drugs is required.

3. BUSINESS CASE

3.1 Procurement Project Outputs / Outcomes

3.1.1 The following procurement outcomes/outputs identified as important at Gateway 1 to the delivery of this procurement requirement and identified as justification for awarding the contract at Gateway 3, have been appraised in the table below to demonstrate how the procurement contract and corresponding supplier(s) has delivered said outcomes/outputs.

Outputs / Outcomes	How will success be measured?	Who will measure success of outputs/ outcomes	When will success be measured?	How has contract award delivered outputs/outcomes?
1. Provision of Young People's Substance Misuse Services in Medway	By provision of a successful contractor for the service.	Partnership Commissioning Team (PCT)	Conclusion of the procurement process.	Open Road has met the majority of Key Performance Indicators. They are working towards increasing the number of planned exits (currently below target), and have substantially increased the number of referrals and young people in treatment.
2. Successful mobilisation of the contract	Mobilisation plan outlined by the successful contractor met within pre-agreed timeframes	Partnership Commissioning Team	Throughout the mobilisation period.	The contract was mobilised on time and to schedule.
3. Customer Satisfaction	Service user surveys and feedback; level of complaints	Partnership Commissioning Team	Six month and one year anniversary of contract implementation.	There is a complaints system in place but there have been no formal complaints to date. An area for development in with the service is the collation of feedback from service users, and this will form part of the action plan resulting from the recent service review.

<p>4. Provision of a good quality service</p>	<p>By an examination of KPIs / outcome measures and the providers on-going record in meeting the same.</p>	<p>Partnership Commissioning Team</p>	<p>Six month and one year anniversary of contract implementation</p>	<p>Open Road's NDTMS (National Drug Treatment Monitoring System) data helps to demonstrate that the service specification is being met.</p>
<p>5. Appointing a provider that can deliver the service requirements</p>	<p>Tender process will undertake appropriate checks on companies. Performance and compliance visits, provider reports, service user surveys and feedback.</p>	<p>Partnership Commissioning Team</p>	<p>Measured throughout the procurement project in the first instance and thereafter as part of the performance monitoring schedule.</p>	<p>Open Road has demonstrated their ability to deliver the service through their mobilisation and current service delivery.</p>

4. RISK MANAGEMENT

Risk Categorisation – The following risk categories have been identified as having a linkage to the procurement contract at this Gateway 4 stage.

1. Risk Category:	Likelihood: D	Impact: Marginal
Outline Description: Provider that fails to deliver the required level of service.		
Plans to Mitigate: Regular contract monitoring takes place on a quarterly basis, but also as required. Default clauses are part of the contract documentation.		
2. Risk Category: Service Delivery	Likelihood: E	Impact: Marginal
Outline Description: Lack of specified performance.		
Plans to Mitigate: A detailed specification with key milestones and performance indicators and outcome measures has been completed and the monitoring is ongoing. Performance will be monitored by the Partnership Commissioning Team. The six and 12 month reviews have been completed and although an action plan to address some areas of performance will be drawn up with the service, the service is performing well against the majority of specified outcomes.		
3. Risk Category: Finance	Likelihood: A	Impact: Critical
Outline Description: Finance/funding of contract.		
Plans to Mitigate: Agreement has been reached with the YOT regarding the funding from the PCC up to March 2017. The funding from Public Health has been agreed for the duration of the contract, however the ring fencing of the Public Health budget is due to cease in 2017.		

5. POST PROJECT APPRAISAL

5.1 Post Project Appraisal

5.1.1 This procurement post project appraisal and its subsequent review is within the Council's policy and budget framework and complies with the identified Core Values, Strategic Priorities, Strategic Council Obligations and Departmental/Directorate service plans.

5.2 Permissions Required

5.2.1 This report provides the Cabinet with a post project appraisal and seeks permission to approve:

- The continuation of the current contract
- A further review to be presented to the Drug and Alcohol Team Board and Procurement Board in six months time.

5.2.2 This request is on the basis that this contract has fulfilled the requirements in accordance with the service specification, associated contract terms and conditions.

6. CONTRACT MANAGEMENT

Contract Management

Positive improvements for the 12 month period from September 2014 to September 2015 include the following:

6.1 Multi Agency Working

The provider is required to develop and maintain positive working relationships with partners, and over the past year the organisation has increased its profile amongst local agencies and departments. The organisation has delivered nine substance misuse awareness group sessions in schools, and met with 17 different stakeholder organisations. Data from NDTMS supports the organisations multi agency approach.

6.2 Individuals who re-presented

During Quarter 1 of 2015, only three young people with planned exits re-presented to the service i.e. were re-admitted to the service within six months of exit. The referral routes for these young people were children and family services, school and Youth Offending Service. All three were referred for cannabis misuse. For Quarter 3 of 2015 no young people re-presented, compared to 6% nationally.

6.3 Chlamydia screening

Chlamydia is one of the most common sexually transmitted infections (STIs) in the UK. It is particularly common in sexually active teenagers and young adults.

In Q1 of 2015 (April to June), 100% of young people who attended the service were offered chlamydia screening. Of those, 24% accepted and 76% refused, which compares favourable with national rates (12% accepted screening, 40% refused and 30% deemed not appropriate).

From April to December 2015 the number of young people accepting chlamydia screening increased to 29% compared to the national average of 12% which has remained the same.

6.4 Individuals presenting with self harm

It has been noted from analysis of data submitted by Open Road into the NDTMS system that a high percentage of young people are presenting with self harming behaviours: 36% in the period April to December 2015 compared to the national average of 17%.

In response, Open Road has developed a strong working relationship with CAMHS (Child and Adolescent Mental Health Service). They have a worker based with CAMHS once a week, and an Open Road representative also attends the CAMHS referral panel meeting.

Areas for continued improvement include:

6.5 Exit Pathways

Exits are classified as either planned or unplanned. A planned exit means a young person has completed all the offered sessions or has transitioned to a different service: an unplanned exit is where a young person is discharged because they have not attended or cannot be contacted.

The majority of young people who have exited the service in an unplanned way were referred by the Youth Offending Service (YOS), and their exit is linked to the young person moving out of area and disengaging with their youth offending orders. Contacting these young people has proved difficult for the provider: they typically change telephone numbers frequently and do not respond to correspondence.

In Quarter 1 April to June 2015, planned exits were 62% in Medway, (compared to 86% in Kent and 78% nationally), however planned exits in Quarter 3 (April to December 2015) increased to 70% compared to 80% nationally.

6.6 Hepatitis B vaccination rates

Hepatitis B is transmitted through contact with the blood or other body fluids of an infected person including through the reuse of needles and syringes among persons who inject drugs. The vaccine is 95% effective in preventing infection and the development of chronic disease and liver cancer due to hepatitis B.

The young people's service refers young people to primary care if it is deemed that they could be at risk of contracting the virus. Of the 65 new presentations this year none have made GP appointments to be immunised against Hepatitis B. The main reason that there is a low take up is the very low number of young people in treatment who are injecting substances.

6.7 Service Approach

The approach taken by Open Road has been seen to be very flexible and adaptable. Each young person's support is tailored to the individual and is determined by the progress they make. This type of approach enables the young person to make informed decisions about their substance misuse which has been effective in helping young people reduce the amount of substances they consume.

6.8 Summary

Overall, the service provided by Open Road has been found to meet the majority of the specified Key Performance Indicators, and there has been a marked improvement in a number of areas since commencement of the contract.

An improvement plan is in place to support the remaining improvements required, and progress will be reported to the DAAT Board. Officers are currently reviewing how the service will be commissioned in future and this will be reported through Procurement Board.

7. CONSULTATION

7.1 Internal (Medway) Stakeholder Consultation

7.1.1 The Commissioner reports to the Young People's Joint Commissioning Group (Substance Misuse) on a quarterly basis.

7.2 External Stakeholder Consultation

7.2.1 The Commissioner reports to the DAAT (Drug & Alcohol Action Team) Board on a quarterly basis regarding performance and any key findings.

8. PROCUREMENT BOARD

8.1 The Procurement Board considered this report on 17 February 2016 and supported the recommendation in paragraph 11 below.

9. SERVICE COMMENTS

9.1 Finance Comments

9.1.1 The procurement requirement and its associated delivery (as per the recommendations at Section 11), will be funded from existing revenue budgets.

9.1.2 Further detail is contained within Section 2.1 Financial Analysis of the Exempt Appendix.

9.2 Legal Comments

9.2.1 This services procurement undertaken was compliant with the Public Contracts Procurement Regulations 2006 using the open procedure. Since this contract was categorised high risk, the decision to make an award was one for Cabinet pursuant to the Council's Contract Procedure Rules.

9.2.2 The Contract was sealed on 14 August 2014. As detailed within the report there are no legal implications at this stage and should the client need to utilise the extension, then the appropriate reporting will be completed.

9.3 TUPE Comments

9.3.1 There are no further TUPE issues to consider at this stage of the contract.

9.4 Procurement Comments

9.4.1 The client department is satisfied that the provider has met the outcomes/outputs outlined in the Gateway 1 paper and has delivered against a number of the objectives set out as part of the original tender specification and as part of the Gateway 3 contract award process. Through an ongoing internal contract management process, the supplier provides the service in line with the contract terms and conditions. In line with Contract Procedure Rules, the Cabinet must decide whether to require any further Gateway 5 reports for this contract during the remainder of the contract term. Any contract extensions shall automatically require a Gateway 5 report to be presented to the Procurement Board and Cabinet for a decision to be made.

9.4.2 Category Management supports the recommendation at 11.1 to continue with the current contract, subject to the outcomes of contract monitoring and review.

9.5 ICT Comments

9.5.1 There were no ICT implications for this contract.

10. OTHER INFORMATION

- 10.1 In the 2013-14 financial year 21 young people who were LAC were referred to the Young People's Substance Misuse Service, however out of the cohort of 21 young people only 11 young people received treatment and 10 declined treatment.
- 10.2 Therefore, some more intensive motivational work was required with this group of young people to try and engage them in the service. A worker was required who would focus on working with Looked After Children, young people placed at the Old Vicarage and semi-independent housing provision and target those young people who have been identified as having a drug or alcohol problem or who are exhibiting risky behaviour.
- 10.3 In order for Open Road to be able to carry out the above work there was a need to take on an additional worker (0.6 fte) at a cost of £5k per quarter when the contract started on 1 September 2014. This element is funded via the Children and Families directorate.

11. RECOMMENDATION

- 11.1 The Cabinet is requested to approve the continuation with the current contract, subject to a further review in 6 months time.

12. SUGGESTED REASONS FOR DECISION

- 12.1 The client department is satisfied that the provider has met the outcomes/outputs from gateway 1 and has delivered against a number of the objectives set out as part of the original tender specification and as part of the Gateway 3 contract award process, however progress against further improvements agreed with the provider should be reviewed in 6 months time.

LEAD OFFICER CONTACT:

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APPENDICES

Exempt Appendix

BACKGROUND PAPERS

The following documents have been relied upon in the preparation of this report:

Description of Document	Location	Date
Gateway 1 – Drug and Alcohol Services for People Under the Age of 18: Community Substance Misuse Services	http://democracy.medway.gov.uk/ieListDocuments.aspx?CId=115&MId=2763&Ver=4	13-Nov-13
Gateway 3 – Young People’s Community Substance Misuse Service in Medway	http://democracy.medway.gov.uk/mglIssueHistoryHome.aspx?IId=12784	13-May-14