

## **CABINET**

**13 DECEMBER 2022**

### **GATEWAY 3 CONTRACT AWARD: MEDWAY ADULT SUBSTANCE TREATMENT, HARM REDUCTION AND RECOVERY SERVICE**

Portfolio Holder: Councillor David Brake – Portfolio Holder for Adults’ Services

Report from: James Williams – Director of Public Health

Report Author: Robin Mitchell, Health Improvement Manager: Substance Misuse and Sexual Health

#### Summary

This report seeks Cabinet agreement to award the procurement of the Medway Substance Treatment, Harm Reduction and Recovery Service Contract. The report was considered by the Procurement Board on 16 November 2022.

#### Procurement Overview

Total Contract Value: £10,250,000 based on £2million per annum and £250,000 one-off mobilization support payment (plus additional grant funding see financial table)

Project Budget: £10,250,000 based on £2million per annum and £250,000 one-off mobilization support payment (plus additional grant funding see financial table)

Contract Term: Initial term: 36 months (from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2026), with the option of 2 x 12-Month Extensions (to 31<sup>st</sup> March 2028)

#### 1. Budget and Policy Framework

- 1.1. Effective delivery of adult substance support services contributes to a wide range of local and national policies and priorities including:
- Medway Council Plan– children and young people have the best start in Medway; Adults maintain their independence and live healthy lives.
  - Public Health Outcome Framework.

- Medway Safeguarding Children Board Plan - Priority One: To improve the life chances of children living with family members with mental health, substance misuse or disabilities.
- The Medway Community Safety Plan.
- National Crime Prevention Strategy.
- National strategies in relation to alcohol misuse and drugs misuse, including the Government Recovery strategy.
- The Kent Police and Crime Commissioner priorities
- Government 'Drugs Strategy' - 'From harm to hope: A 10-year drugs plan to cut crime and save lives'

1.2. By ensuring adult substance support services are available and effective, a significant contribution can be made to:

- Reduce offending in MedwayReduce anti-social behaviour
- Reduce rough sleeping/street drinking
- Support Medway Council early intervention services (including reducing numbers of children moving into higher threshold care services)
- Support acute and community-based health services in the management of a complex cohort of patients associated with long term health problems (including mental health and liver disease).
- Supporting families who are affected by substance use including reducing Domestic Abuse
- Preventing increasing substance use from reaching problematic levels or crisis point.

## 2. Background Information and Procurement Deliverables

- 2.1. Medway Council currently commissions an adult substance misuse service through two contracts. The treatment element of the contract is provided by Turning Point, and the recovery and wellbeing element is provided by Open Road. Following a robust tendering process, the contract was awarded in 2018 for a 3-year initial term with 2 x 12-month extensions available.
- 2.2. The intention of the current contract was to provide a wellbeing and recovery service distinct from the treatment service which would enable those who had completed treatment to move to a new environment free from any experiences in the treatment process and focus on sustained recovery.
- 2.3. The current contract has shown that having two physically distinct service premises for treatment and recovery improves outcomes, but a model with two independent providers can impede successful transition from one service to the next. As a result, the new contract will use a lead provider model with one provider ultimately accountable but two distinct premises remaining. It is believed this will improve the treatment and recovery system by increasing the number of service users that remain beyond completion of treatment episodes, therefore decreasing the risk of relapse and increasing support for long-term recovery.

- 2.4. As part of the new contract, commissioners have mandated a change of premises for the main treatment service. Suppliers were required to scope premises as part of the evaluation process. The new premises must be designed using trauma-informed design principles and it is expected that it will be a significant upgrade on the current building.
- 2.5. In December 2021, the government published a new 10-year Drugs Strategy 'From Harm to Hope' on the back of the Dame Carol Black (DCB) independent review for government (part two) published in July 2021. The strategy included an announcement that all local authorities would receive additional funding phased over 3 years from 2022 to 2025.
- 2.6. This additional funding is factored into the contract value during the tender process and price value was based on both public health grant funding and additional funding.
- 2.7. The additional funding was provided by the Office for Health Improvement and Disparities (OHID) and contains targets to increase the number of people who use alcohol and other drugs that access treatment, as well as the number of residential rehabilitation places provided by suppliers. There was also a menu of interventions that will be negotiated with the supplier once the contract has been awarded. The procurement process asked suppliers to detail how they would use the total funding available, including how they would reorganise services if the funding provided by OHID did not continue for the term of the contract.
- 2.8. Parent Company Guarantee/Performance Bond Required

2.8.1. No

### 3. Procurement Process

#### 3.1. Procurement Process Undertaken

3.1.1. An Open procurement procedure was conducted in accordance with the Public Contracts Regulations 2015. Bidders were required to respond to a selection questionnaire to initially insure they were compliant bidders. They were also required to respond to evaluation questions and to provide two presentations, one to the commissioning team and another to a panel of peer mentors with lived experience of substance misuse services in Medway.

3.1.2. The timeline for this was as follows:

Final evaluations. Supplier selected.	October 2022
GW3 to Public Health + Children & Adults DMT	November 2022
GW3 Procurement Board	November 2022
GW3 to Cabinet	December 2022
Award and Mobilisation	Jan 2023
Contract start	April 2023

## 3.2. Evaluation Criteria Used

3.2.1. The following evaluation criteria were used to evaluate tenders:

Criteria	Weighting
SERVICE DELIVERY MODEL: Specific questions on service model, innovation, tailored approaches, reducing deaths, staffing levels and costs and supporting safeguarding outcomes. Included an organisational chart.	10%
REHABILITATION AND DETOXIFICATION: Questions on residential rehab and inpatient detoxification, including eligibility criteria, annual capacity and estimated success rates.	5%
RECOVERY MODEL: Questions related to the recovery service, including innovative practice, working arrangements with local services, visible recovery, transition from treatment to recovery, care planning processes, inclusion of people with lived and living experience, drives to employment and education and strategies for relapse prevention.	5%
CO-DESIGN AND CO-DELIVERY: Suppliers were asked to provide evidence of codesign with people with lived and living experience and detail how Medway services will be codesigned.	5%
INNOVATION: Suppliers were asked to detail how proposals encompassed innovative practice, including digital service delivery.	4%
OUTREACH: Suppliers were asked to detail how they would take services to people, including in supported accommodation, to street-based communities, hospitals and prisons.	5%
HARM REDUCTION – Questions about how suppliers would ensure harm reduction was improved, including needle exchange, BBV testing, naloxone and sexual health.	4%
ADAPTATION TO CHANGE: Suppliers were asked to describe how they have previously worked with commissioners to adapt to policy changes, including handling data and ensuring workforce practices. Questions were also posed as to how supplier contingency in the event that additional funding was not continued.	4%
HOLISTIC SERVICE: Suppliers were asked to detail their organisations plans to tackle physical and mental health, as well as general health promotion.	4%
SUPPORT NETWORKS: Suppliers were asked how they would support, train and equip family members, friends and people in regular contact with service users to aid treatment and recovery.	5%
SOCIAL VALUE – Suppliers were asked to respond against a list of measures, including: Promoting local skills and employment; healthier, safer and more resilient communities; decarbonising and safeguarding our world; and promoting social innovation.	5%
SYSTEMS AND PROCEDURES; Suppliers were asked to provide evidence of systems and procedures that would be utilised for IT, referrals, complaint handling and quality control. -	2%
PRESENTATION 1: Suppliers were asked to provide a 40-minute presentation to Public Health commissioners detailing the service model and plans for the design of the premises.	10%
PRESENTATION 2: Suppliers were asked to provide a 20-minute presentation to people with lived experience in Medway, responding to a question posed by the peers. The question was: How will the service work with high-risk clients that would normally drop in and out of services and how will they encourage regular engagement? Will they close them down to the service if the client does not engage?	2%

Suppliers also presented their mood board for the design of the new premises.	
Price	<b>30%</b>
	<b>TOTAL 100%</b>

### 3.3. Contract Management

3.3.1. Contract management will be the responsibility of the Health Improvement Programme Manager: Substance Misuse and Sexual Health.

3.3.2. Performance reporting will take place quarterly, with monthly updates from services. KPIs, measurables and performance review processes can be found in the background papers below.

### 4. Risk Management

Risk Description	Plans to Mitigate	Risk Category
Data for patients is currently held on the provider's database. This may pose a problem should the incumbent not be successful in winning the tender. It is possible that treatment plans, medication logs etc. are not available to the incoming provider. This presents a health risk to the patient.	Begin discussions with incumbent before tender goes out.  In tender documents ask bidders their policy on passing information to incoming providers.  3-month mobilisation period to enable data transfer.	D2
It is increasingly difficult for substance misuse services to recruit staff. Any loss of staff during the recommissioning process or who chose not to TUPE across could impact on the new service's ability to deliver.	Providers are aware that TUPE list is required. This will be obtained early. Include possible retention and recruitment incentives as part of additional funding proposal.	C2
The commissioning timeline is not met, causing a delay in service implementation and	Regular communication between commissioners and Category Management officer to ensure timelines are	D3

Risk Description	Plans to Mitigate	Risk Category
possible service gaps, as notice will have been served on current contracts.	followed, issues/obstacles identified and mitigated prior to causing delays.	
Enhanced funding does not continue beyond 2025 and contract is 5 years	Nationally providers will be aware of investment periods. As part of the tender process providers will be expected to plan for cuts and this will be built into terms and conditions of the contract.	D2

<i>Likelihood</i>	<i>Impact:</i>
A Very high	1 Catastrophic (Showstopper)
B High	2 Critical
C Significant	3 Marginal
D Low	4 Negligible
E Very low	
F Almost impossible	

## 5. Financial Implications

- 5.1. The procurement requirement and its associated delivery as per the recommendations will be funded from existing revenue via the Public Health Grant, plus additional funding from government grants (such as the SSMTRG mentioned above).

## 6. Legal Implications

- 6.1. Since 2013 local authorities have responsibility for improving health and wellbeing of their local population, including services aimed at reducing alcohol and drugs misuse. The responsibility of local authorities is set out in the Health and Social Care Act 2012. The funding to local authorities for commissioned Public Health Services is ring fenced under the Public Health Grant.
- 6.2. The Act is also the basis for the ring fenced Public Health Grant to Local Authorities to meet the responsibilities under the Act; a Local Authority Circular on Public Health conditions (LAC(DH)(2014) 2) stipulates that ' a local authority must in using the grant , have regard to the need to improve the take up of and outcomes from, its drug and alcohol misuse services'.
- 6.3. The Local Authority has a statutory duty to carry out assessments and arrange provision to meet needs where eligible and appropriate (NHS and Community Care Act 1990; Care Act 2014). The Children's Act (1989) places a responsibility to 'safeguard and promote the welfare of

children within their area' – adult substance misuse services directly contribute to this responsibility through working with parents.

## 7. Other Implications

### 7.1. TUPE Implications

7.1.1. TUPE will apply during this procurement. This will apply to eligible posts within the current commissioned adult substance misuse services. There are 35 positions that qualify for TUPE from the current services.

### 7.2. Procurement Implications

7.2.1. Due to the limited nature of the market the Open procedure was used for the procurement process.

### 7.3. ICT Implications

7.3.1. There are no ICT implications associated with this procurement.

## 8. Social, Economic and Environmental Considerations

8.1. The services will make a direct contribution to addressing levels of inequality in Medway by supporting adults and families affected by substance misuse to access effective treatment provision. Adults will be directly supported in opportunities to access employment, training and education alongside other issues that enable recovery from dependent substance misuse. The services will contribute to a number of the Council's wider priorities including: children and young people have the best start in Medway; Adults maintain their independence and live healthy lives.

8.2. The services will ensure environmental considerations are incorporated into service delivery. This includes the delivery of Needle Syringe Programmes to encourage people who inject drugs to return used needles to distribution sites and use sharps bins for disposal, which in turn aims to reduce drugs litter in Medway.

8.3. The Public Health Team have built good relationships with Environmental Services and the commissioner of Medway Council's waste contract. Information of 'hotspots' and reports of drugs litter is shared between teams and fed back to the provider outreach team to incorporate these locations into their visits.

8.4. The provider will also be encouraged to reduce their carbon footprint by using an online database and using digital means of contact to clients (telephone, email and texts instead of letters) where appropriate, as well as encouraging staff to use public transport or car share in roles where regular travel is not required.

## 9. Recommendation

- 9.1. It is recommended that the Cabinet agrees to award the contract for the Medway Substance Treatment, Harm Reduction and Recovery Service to the provider named at 3.2 of the Exempt Appendix.

## 10. Suggested reasons for decision

- 10.1. The provider named at 3.2 of the Exempt Appendix has been evaluated as the most advantageous against the Council's award criteria as per the evaluation spreadsheet also contained within the Exempt Appendix.

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## Appendices

Exempt Appendix 1 – Financial Analysis

## Background Papers

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

Description of Document	Location	Date
UK Government Drug Strategy Paper	<a href="#">From Harm to Hope: A 10-year drugs plan to cut crime and save lives</a>	06/12/2021
Gateway 1 Report	<a href="#">Cabinet – 7 June 2022</a>	20/05/2022
Diversity Impact Assessment	<a href="#">Cabinet – 7 June 2022</a>	08/04/2022