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**REPORT FOR: CABINET**

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<b>Date of Meeting:</b>	20 January 2016
<b>Subject:</b>	Barnet Young People's Substance Misuse Service
<b>Key Decision:</b>	Yes
<b>Responsible Officer:</b>	Dr Andrew Howe, Director of Public Health
<b>Portfolio Holder:</b>	Councillor Varsha Parmar, Portfolio Holder for Public Health, Equality and Wellbeing Councillor Sachin Shah, Portfolio Holder for Finance and Major Contracts
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All Wards in the London Borough of Barnet
<b>Enclosures:</b>	Appendix A: Equalities Impact Assessment [This contract is managed by Barnet and Harrow Joint Public Health Service]

## **Section 1 – Summary and Recommendations**

This report sets out the procurement activity that the Harrow and Barnet Joint Public Health Service (H&BJPHS) plan to undertake for the Barnet Young People's Substance Misuse Service over the next 3 months.

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## **Recommendation:**

Cabinet is requested to:

1. Approve the extension of the Barnet Young People's Substance Misuse Service until 30<sup>th</sup> June 2016, which will allow sufficient time for a Provider to mobilise.
2. Approval to procure a new Barnet Young People's Substance Misuse Service.
3. Delegate authority for the award of the new contract to the Director of Public Health, in consultation with the Corporate Director of the People's Directorate, Chief Financial Officer and the Portfolio Holders for Finance and Major Contracts and Public Health, Equality and Wellbeing.

## **Reason: (For recommendation)**

The contract in question has a value in the region of £500k for a contract term of two years and nine months.

The existing contract for Barnet Young People's Substance Misuse Service was previously procured on 1st July 2013 and is due to expire on 31<sup>st</sup> March 2016.

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## **Section 2 – Report**

### **Introductory paragraph**

It should be noted that this report will refer to Harrow and Barnet Joint Public Health Service (H&BJPHS) throughout as established in the Inter Authority Agreement between the London Borough of Barnet and Harrow Councils. The monitoring and procurement of contracts is undertaken by the H&BJPHS Team with the support of the host borough Harrow Council; however each borough is accountable for their own contracts.

- 2.1 As part of the Public Health England (PHE) requirements laid out in the Health and Social Care Act 2012, local authorities are responsible for commissioning health and social care services for residents including Substance Misuse Services.
- 2.2 In April 2013, a range of clinical contracts, including the Substance Misuse Service, were transferred from the PCT to local authority. Public Health (PH) contracts for Barnet and Harrow were transferred to their respective authorities. Harrow Council now undertakes the procurement of PH Services on behalf of London Borough of Barnet. To ensure compliance with Harrow Council's CPRs – all approvals are sought through the relevant management levels. Accountability is retained with the London Borough of Barnet. H&BJPHS intends to procure a new Barnet Young People's Substance Misuse Service. This service was not procured at the same time as the Harrow Young

People's Substance Misuse Service as the Barnet Young Persons' service had recently been procured in July 2013.

## **Options Considered**

- Option 1:** Do nothing: Contract is due to end on 31<sup>st</sup> March 2016. This will cease all Substance Misuse Services for the young people in Barnet
- Option 2:** Re-procure Young People's Substance Misuse Service People's to a specialist Provider.
- Option 3:** Bring provision of service in-house: The Young People's Substance Misuse Services are supplied by a well established market with a track record of delivering high quality and clinical specialism to other London Boroughs. Local authorities do not have the specialist or clinical expertise or skills to deliver these services.

## **2.1 Background**

### **Barnet Young People's Substance Misuse Service**

- 2.1.1 H&BJPHS is committed to fulfilling the requirements of the National Drugs Strategy (2010), The Government Alcohol Strategy (2012), Hidden Harm – Responding to the Needs of Children of Problem Drug Users (2003) and the Public Health Outcome Framework: Improving Outcomes and Supporting Transparency (2013).
- 2.1.2 H&BJPHS Substance Misuse Services specialise in delivering drug and alcohol treatment, crime reduction interventions for drug and alcohol offenders and targeted services for young people affected by substance misuse. Together these services minimise the impact that substance misuse has on individuals and community, ultimately making a positive contribution to addressing health inequalities and crime reduction priorities of the Safer Community Boards in each borough. Also, the new service specification will ensure the provider will develop and deliver psycho-educational programmes on specific substances (for example: cannabis; volatile substances; so called 'legal highs' and alcohol and associated issues) and assessment will only be undertaken by trained, competent workers who have knowledge of legal highs.
- 2.1.3 A review of the Young People's Substance Misuse Service in Barnet was undertaken in 2014 and has provided data and consultation responses from a wide range of sources. The review provided a recommendation for a newly commissioned, integrated (drug and alcohol) service which incorporates, consolidates and builds upon the functions of the current service specification.
- 2.1.4 The new Barnet Young People's Substance Misuse Service specification will address the needs of young people more strategically,

ensuring the mainstream young people's workforce has the necessary skills to address low-level need universally, this is vital to:

- Increase the number of referrals into the Substance Misuse Service in particular from A&E, Schools and Children & Families services;
- Ensure a universal service is more widely taken up by Schools and Colleges;
- Match or improve on national treatment performance benchmarks;
- Radically increase the numbers of professionals receiving drug/alcohol awareness and screening tool training;
- Deliver support to parents of drug/alcohol using young people;
- Ensure continuity of specialist treatment support for young people past the age of 18 and up to 24 where necessary;
- Offer support to young people at appropriate, accessible locations and times such as evenings or weekends;
- Strengthen mainstream services to deal with lower level issues rather than meet all needs in-house;
- Avoid the 'cliff-edge' of support at 18 perceived previously when young people were transferred automatically to Adult Services - by increasing the age range to 24 based on individual assessment.
- Provide support to young carers as an 'at risk' group and support them to access the generic provision.
- improve joint working with statutory and voluntary services i.e. Children and Families' and Safeguarding services

2.1.5 Officers seek authority to tender a new Barnet Young People's Substance Misuse Service. The proposed initial contract term of the Substance Misuse Service procurement will be two years and nine months, commencing 1 July 2016 to 31 March 2019.

Based on current spend the estimated aggregate value of the proposed contract for two years and nine months is in the region of £500k. All the above figures are subject to funding. The Young People's Substance Misuse Services will be funded from the Public Health budget allocation and MOPAC monies.

The evaluation criteria will be Quality 60% and Price 40%.

2.1.6 The Alcohol and Substance Misuse indicative procurement project timetable is as follows:

Issue Invitation to Tender	26 <sup>th</sup> January 2016
ITT Bidders Clarification question deadline	20 <sup>th</sup> February 2016
Deadline for Tender Submissions	26 <sup>th</sup> February 2016
Tender Evaluation	29 <sup>th</sup> February 2016 - 10 <sup>th</sup> March 2016
Issue notification letters.	23 <sup>rd</sup> March 2016
Contract Award	29 <sup>th</sup> March 2016
Contract Start	1 <sup>st</sup> July 2016

2.1.7 Sourcing a suitable community estate and obtaining the appropriate planning status is an integral part of contract transition. Planning status required for the delivery of core services is estimated to take up to three months. Such time is built into the timetable above and supports the request of delegated authority to award contracts. In addition, it enables smooth contract transition ensuring that the contract starts on time.

## 2.2 Performance Issues

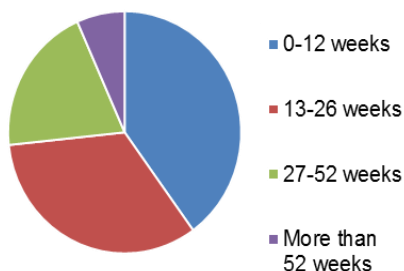
2.2.1 H&BJPHS Substance Misuse Services are subject to robust monitoring processes for service delivery and quality. The proposed transition to a new service pathway will be closely managed to ensure there is no disruption to service users. The Senior Commissioning Manager, H&BJPHS Drug & Alcohol Programme Board and Performance Board will continue to ensure appropriate monitoring arrangements are maintained during transition. The principal focus of monitoring will be how successful bidder(s) deliver performance i.e.: numbers in specialist treatment, entry to services, length of time in service and interventions. Local indicators around safeguarding, criminal justice, employment and harm reduction in relation to infectious disease will also continue to be closely monitored during transition.

### Performance - Q1 2014/15

	Numbers in treatment		Waits less than 3 weeks		Planned exits	
<b>Local</b>	Down - 1%	72	No change	100%	Down - 4%	80%
<b>National</b>	Down - 2%	17998	No change	98%	Up 1%	80%

### Time in Treatment (local)

Time in treatment (local)





## 2.3 Environmental Impact

2.3.1 The H&BJPHS seek to minimise its environmental impact by implementing energy and carbon reduction via its procurement process. Though the evaluation exercise as part of the procurement and contract monitoring, providers will be required to pay due regard for the environmental impact during service delivery. They will need to implement measures to mitigate the environmental impact.

## Risk Management Implications

Risk Included in Director Risk Register?: NO  
Separate Risk Register in Place: YES

It is important to note that sourcing suitable community premises may not be feasible within the procurement timescales. In addition the premises will need to meet all legal and planning regulations in order to deliver core services. An example where delay may occur and affect the procurement timetable may be the need of a D1 planning status for the treatment services. Whilst the new provider develops their own property strategy to locate within the Community we will work with the outgoing and incoming providers to ensure that services aren't disrupted.

Due to the nature of the service, possible re-location of the new service is likely to meet with local opposition. H&BJPHS will need to work with the local press and politicians to ensure the establishment of the new service is managed effectively. Services users will be updated via Barnet's current Young People's Drug and Alcohol Service.

## Legal Implications

The Health and Social Care Act 2012 ("the Act") introduced changes by way of a series of amendments to the National Health Service Act 2006. The Act gives local authorities a duty to take such steps as it considers appropriate to improve the health of the people in its area. In general terms, the Act confers on local authorities the function of improving public health and gives local

authorities considerable scope to determine what actions it will take in pursuit of that general function.

The estimated value of the Barnet Young People's Substance Misuse Service is £492,197 and therefore is just below the threshold of a High Value Contract under the Council's Contract Procedure Rules (CPRs) and Financial Regulations. In relation to the Public Contracts Regulations 2015 (the "Regulations") this procurement process is subject to the "Light Touch Regime" and so strict application of the regulations are not required. However the Council will follow the EU Treaty principles of equal treatment, transparency and non-discrimination. A competitive tendering exercise will be carried out in accordance with the CPR's. The open procedure will be followed for procurement as it is a limited market.

## Financial Implications

The amount of the public health grant allocated to the contract referred to in this report through the agreement of the commissioning intentions is detailed below:

<b>Services</b>	<b>Annual Contract Value</b>
Barnet Young People's Substance Misuse Service	£178,981K inclusive of MOPAC funding anticipated at £49,018.

Substance Misuse Services are funded by the ring-fenced public health grant allocation. The Comprehensive Spending Review announced on 25<sup>th</sup> November:

- making savings in local authority public health spending averaging annual real terms savings of 3.9% over the next 5 years.
- consulting on options to fully fund local authorities public health spending from their retained business rates receipts, as part of the move towards 100% business rate retention
- continuation of the grant ring fence until 31<sup>st</sup> March 2018

In this respect, the impact of changes in expenditure arising from the procurement exercises will need to be contained within the commissioning intentions and annual grant amount.

It should be noted that award of this contract results in contractual obligations with the provider for services which cannot be guaranteed in the longer term as the contract term exceeds the government commitment to the grant ring fence.

As a result, performance management, the identification of efficiencies within the procured service and potentially the need to vary the contract before the end of the term to enable services to be provided within the financial envelope, will be required.

## **Equalities implications / Public Sector Equality Duty**

The Council will need to comply with the Equality Act 2010 in the provision of Public Health Services and the NHS Constitution when making decisions affecting the delivery of public health in its area. An initial equalities implications assessment carried out on all the above public health services has indicated that the re-procurement will not have an adverse effect on any of the residents. The proposed re-procurement will deliver better value for money whilst achieving better outcomes for services users and the whole

## **Council Priorities**

The services set out in this report contribute to the delivery of the following Barnet Council priorities by ensuring the health and wellbeing of local residents. These services ensure that vulnerable young people have access to the information, support, diagnose and treatment they require to achieve optimum health. The young person's engagement in these services also has a positive impact on the family and the wider community.

Barnet Council's Corporate Plan for 2015-20: based on the core principles of fairness, responsibility and opportunity to make sure Barnet is a place:

- of opportunity, where people can further their quality of life
- where people are helped to help themselves, recognising that prevention is better than cure
- where responsibility is shared fairly
- where services are delivered efficiently to get value for money for the tax payer

For example drug and alcohol dependency goes hand in hand with poor health, homelessness, family breakdown and offending - all of which are associated with significant burden to public services and ultimately the tax payer. Drug and alcohol treatment provides a positive return on investment both financially and socially by reducing costs to health, criminal justice and other sectors and reducing harms to individuals, families and communities. Analysis shows that for every £1 spent on drug treatment in the last 8 years, a £3.20 saving has been made.



### Section 3 - Statutory Officer Clearance

Name: Donna Edwards

on behalf of the  
Chief Financial Officer

Date: 8 December 2015

Name: Sarah Inverary

on behalf of the  
Monitoring Officer

Date: 8 December 2015

**Ward Councillors notified:**

**NO**

**EqIA carried out:**

**YES**

**EqIA cleared by:**

Signed off by chair of DETG  
Carol Yarde

### Section 4 - Contact Details and Background Papers

**Contact:** Bridget O'Dwyer, Senior Commissioning Manager, Substance Misuse Service, Barnet & Harrow Public Health Team  
Direct Tel: 02084209532      Bridget.O'Dwyer@harrow.gov.uk

**Background Papers:**

Appendix A – Equality Impact Assessment (see enclosure)

**Call-In Waived by the  
Chairman of Overview  
and Scrutiny  
Committee**

**NOT APPLICABLE**

*[Call-in applies]*