

Director of Public Health	Ref No: OKD31 (19/20)
January 2020	Key Decision: Yes
Extension of the Contract for the Provision of Service for Children, Young People and Adults who use Alcohol and/or Drugs	Part I
Report by Senior Commissioning Officer	Electoral Division(s): All

Summary

The County Council currently provides a service to support children, young people and adults affected by alcohol and other drug use.

The service was procured in 2015, and started in May 2016 for an initial term of five years with potential to extend for a further two years. As the initial term of the contract is now coming to an end authorisation is sought to extend the contract for a two year period from 10th May 2021 to 9th May 2023.

The original OJEU and contract contained the optional extension period which the Council now wishes to exercise.

The contract is with the national health and social care charity, Change Grow Live (CGL).

West Sussex Plan: Policy Impact and Context

The provision of an effective and quality drug and alcohol service makes clear contributions to West Sussex goals of improving the health and wellbeing of residents of all ages, and to supporting strong and safer communities.

Financial Impact

The total contract period including extensions is £35 998 201.

Contract start 10th May 2016

Duration is for 5 years with option to extend for a further 2 years

Initial period 10th May 2016- 9th May 2021

Extension 10th May 2021- 9th May 2023

The proposed extension is to hold the contract price at 2020/21 value.

Financial Year	Contract cost
2016/17	£4 691 446
2017/18	£5 153 254
2018/19	£5 119 733
2019/20	£5 109 779
2020/21	£5 125 536
2021/22	£5 127 283
2022/23	£5 127 283
2023/24 (1 April to 9 May 2023)	£543 887

Recommendations

The Director of Public Health approves the extension of the contract for a further two years from 10th May 2021 to 9th May 2023.

Proposal

1. Background and Context

1.1 The County Council has a contract with CGL to provide an all age, county wide service working with people who misuse alcohol and drugs.

- The service provides Harm reduction and needle syringe provision
- Engagement and early interventions
- Structured treatment including specialist prescribing
- Assessment for onward referral to detoxification and residential rehabilitation
- Blood Borne Virus testing and vaccination
- Education, training and employment support
- Peer mentoring
- Support to families and carers

1.2 Provision of drug and alcohol services is a non-prescribed function of the Public Health Grant.

1.3 The contract started on 10th May 2016. The duration is for five years with an option to extend for a further two years. The original OJEU and contract contained the optional extension period which the Council now wishes to exercise.

1.4 The two year extension is requested on the grounds that:

Performance

Performance is closely monitored against national (PHOF) and locally agreed targets.

At contract start, West Sussex had been relatively lowly ranked on PHOF indicators and had been deemed a 'priority area' by Public Health England. This is for treatment outcomes for people 18 years + who are opiate users, non opiate users and alcohol users . When using public health dashboard composite measures and benchmarking comparison with the top quartile range of comparator local authorities, West Sussex had been under performing against these key indicators.

There is now improvement in all three areas, with significant improvement in outcomes for opiate and alcohol users.

Performance June 2017 and June 2019

	% of users who are treated successfully and have not represented to services within 6 months		
	Opiate Users	Non-opiate	Alcohol
PHE Published data (relates to 2017)	5.9%	28.1%	29.8%
Latest available data (June 2019)	7.8%	31.0%	36.0%

Currently we are in the top quartile for Opiate / Non Opiate but not alcohol. The top quartile range for LA's Opiate : 7.14 – 13% Non Opiate : 33.86 – 41.58% Alcohol : 37.8% (nationally there has been a decline in alcohol accessing structured treatment – in West Sussex there is continued increase)

Demand

Data extracts from National Drug Treatment and Monitoring System (NDTMS) and service reports illustrate demand for service. More people are being supported by the service, with service trajectories showing marked growth patterns in particular for alcohol presentations. There is a risk that going out to tender could disrupt performance and trajectory of movement.

Prevalence

Prevalence rates support the need for continued investment into services for people who often have multiple and complex needs. Volume of referral and complexity of need has increased.

Priority to reduce drug related deaths

National ONS figures released for England and Wales (August 2019) demonstrate continued increase in drug deaths. The West Sussex rate of death is below the national average, but we remain a priority area to reduce drug related deaths. Extension will maintain this focus and good working relationship. Targets around process and care pathways are met.

2. Proposal Details

It is proposed that the Contract is extended for two years from 10th May 2021 to 9th May 2023.

Factors taken into account

3. Consultation

- 3.1 Service developments for 2020/21 include the implementation of a CGL regional Service User Engagement Centre across East and West Sussex. This will mean more efficient and improved access into services with a regional office taking calls/referrals directly. (CGL has recently retained East Sussex

in a competitive procurement). This service development will add value and bring non cashable efficiencies.

- 3.2 As part of the proposed extension, the Public Health Research Team has been asked by the Director of Public Health to carry out a Drug and Alcohol Needs Assessment Study. As part of this the County Council needs to develop a clearer understanding of alcohol prevalence and new and emerging drug trends, therefore sufficient time is needed to carry out research and develop a model. Previous procurement, including redesign and mobilisation took 2 years.

4. Financial (revenue and capital) and Resource Implications

4.1 Revenue consequences of proposal

	Current Year 2019/20 £m	Year 2 2020/21 £m	Year 3 2021/22 £m	Year 4 2022/23 £m	Year 5 1April-9 th May23
Revenue budget	£5 109 779	£5 125 536	£5 127 283	£5 127 283	£543 887
Change from Proposal					
Remaining budget					

4.2 Service reports and NDTMS returns show that from 2017 the service has demonstrated ongoing improvements in treatment outcomes but is operating at financial stretch.

4.3 Nationally, the Public Health England (PHE) Return on Investment (2019) illustrate that alcohol treatment reflects a return on investment of £3 for every £1 invested and that drug treatment reflects a return of £4 for every £1 invested. Savings are in a number of areas: crime, quality of life indicators, health and social care, cost to NHS.

4.4 Efficiencies and improved pathways will be delivered through the Service User Engagement Centre referred to in point 3.2.

5. Legal Implications

5.1 The original OJEU and contract contained the optional extension period for which the paper seeks approval.

6. Risk Implications and Mitigations

Risk	Mitigating Action (in place or planned)
A slowing down or a pause in KPI improvements, ie	Mitigated by existing performance management arrangements and oversight. Commissioner/provider relationship is positive. Performance measures and

Risk	Mitigating Action (in place or planned)
trajectories are not maintained	improvement are tracked. Contract terms will allow leverage through Improvement Plans if required.
Limited financial savings	The proposal is that the extension (year 6 and 7) are held at year 5 contract price. Thus there is limited financial savings: no proposed indexation. The annual uplift for year 5 of the contract is £16 243.
Reputational	This is an important and high cost contract. We could reasonably expect that there would be interest from the market in any procurement. To mitigate possible challenge of not going out to tender, i) the option to extend was clearly stated in the original Invitation to Tender; ii) there has been no need to use contractual remedies; iii) performance has improved and significantly so in 2 of 3 national PHOF treatment measures.

7. Other Options Considered (and reasons for not proposing)

- 7.1 There is a risk that re-procurement (rather than extension) may result in unnecessary disruption and result in poorer treatment outcomes at least in the short term. Re-procurement risks disruption to planned service improvements and efficiencies that will come from the proposed Service User Engagement Centre.
- 7.2 System churn from re-commissioning may have a negative impact upon recently awarded Public Health England grants, and on the partnership focus to reduce drug deaths.
- 7.3 There is no identified benefit in undertaking large scale service re-design nor is there a need for a new service specification.

8. Equality and Human Rights Assessment

- 8.1 Not applicable.

9. Social Value and Sustainability Assessment

- 9.1 Not applicable.

10. Crime and Disorder Reduction Assessment

- 10.1 The Council has a responsibility to minimise crime and anti social behaviour which can be associated with substance misuse. The service provided under this contract focus on improving health and wellbeing which in turn reduces the likelihood of the above behaviours. The service includes dedicated criminal justice provision, working with adults known to the criminal justice system.

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Appendices None

Background papers None