

Part 1 PUBLIC

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**Decision Maker:** EXECUTIVE  
With pre-decision scrutiny from Adult Care & Health Policy  
Development and Scrutiny Committee on 22<sup>nd</sup> November 2022

**Date:** 30 November 2022

**Decision Type:** Non-Urgent Executive Key

**Title:** Gateway 1: Proceeding to Procurement and Variation for Adult and Young People's Substance Misuse Contracts

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**Chief Officer:** Dr Nada Lemic, Director of Public Health

**Ward:** Borough Wide – all wards

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**1. REASON FOR REPORT**

- 1.1 The London Borough of Bromley has a statutory duty to improve the health of the population and to provide local public health services including arrangements to secure the provision of substance misuse services for adults and young people.
- 1.2 Substance misuse services are currently provided by CGL (Change, Grow, Live) who deliver the adult substance misuse service, BDAS (Bromley Drug and Alcohol Service) and the young people's substance misuse service, Bromley Changes at an estimated whole value of £7,490k. Both contracts are due to expire on 30 November 2023.
- 1.3 In recent years the Service has received additional grants from the Office for Health Improvement and Disparities (OHID) to increase the capacity and scope of the Contracts. Further grants are likely to be made available for 2023/24 and 2024/25.
- 1.4 This report proposes to:
- a) vary the current contracts to reflect increased demand for the period from 1 December 2022 to 30 November 2023 at an estimated value of £120k.
  - b) extend the current contracts beyond term for a period of 4 months from 1 December 2023 to 31 March 2024, to align the contracts with the financial year and grant allocations, at an estimated value of £540k; and

b) proceed to procurement for a combined Adults and Young People's Substance Misuse Service for a period of 5 years with the option to extend for up to 3 years at an estimated annual value of £1,718k and a whole life value of £13,744k. The increased contract value reflects the rise in need and demand and will be contained within the Public Health Grant budget.

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## **2. RECOMMENDATIONS**

The Executive are recommended to:

- 2.1 Approve a variation to the current Adult and Young People's Substance Misuse Services contracts (paragraphs 3.17 and 3.18) to increase the contract value across both contracts by £120k for the period from 1 December 2022 to 30 November 2023.
- 2.2 Approve the extension beyond term for the current contracts (paragraph 3.19) for a period of 4 months from 1 December 2023 to 31 March 2024 at an estimated value of £540k.
- 2.2 Approve the commissioning approach and proceed to procurement for a combined Adults and Young People's Substance Misuse Service (paragraphs 3.20 to 3.25) for a five year contract commencing 1 April 2024, with the option to extend for a further three years, at an estimated annual value of £1,718k (whole life value £13,744k).
- 2.3. Approve delegated authority to Chief Officers in consultation with the Portfolio Holder to authorise an appropriate portion of the Supplemental Substance Misuse Treatment and Recovery (SSMTR) Grant to be drawn down in 2023/24, 2024/25 and to vary the scope and value of the contract accordingly subject to the grant conditions which will be specified by the Office for Health Improvement and Disparities (OHID).

## Impact on Vulnerable Adults and Children

1. Summary of Impact: Public Health Grants and Contracts benefit vulnerable adults.
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## Transformation Policy

1. Policy Status: Existing Policy:
  2. Making Bromley Even Better Priority:
    - (1) For children and young People to grow up, thrive and have the best life chances in families who flourish and are happy to call Bromley home.
    - (2) For adults and older people to enjoy fulfilled and successful lives in Bromley, ageing well, retaining independence and making choices.
    - (5) To manage our resources well, providing value for money, and efficient and effective services for Bromley's residents.
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## Financial

1. Cost of proposal: Estimated Cost: Variation of £120k and four month extension of £540k. Proposed new contract with annual value of £1,718k. Plus allocation of a proportion of the additional Supplemental Substance Misuse Treatment and Recovery Grant which has a combined indicative value of £585k for both 2023/24 (£270k) and 2024/25 (£315k).
  2. Ongoing costs: Recurring Cost £1,718k per annum (estimated)
  3. Budget head/performance centre: Public Health – Substance Misuse
  4. Total current budget for this head: £1,922k per annum
  5. Source of funding: Public Health Grant plus Supplemental Substance Misuse Treatment and Recovery Grant from the Office for Health Improvement and Disparities
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## Personnel

1. Number of staff (current and additional): N/A
  2. If from existing staff resources, number of staff hours: N/A
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## Legal

1. Legal Requirement: Statutory Requirement
  2. Call-in: Applicable:
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## Procurement

1. Summary of Procurement Implications: The Procurement will be undertaken in compliance with the requirements of the Public Contracts Regulations 2015.
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## Property

1. Summary of Property Implications: None
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## Carbon Reduction and Social Value

1. Summary of Carbon Reduction/Sustainability Implications:

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Customer Impact

1. Estimated number of users or customers (current and projected): 1,000
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Ward Councillor Views

Have Ward Councillors been asked for comments? N/A

Summary of Ward Councillors comments: N/A

### 3. COMMENTARY

#### Current Contract Background

- 3.1 Both contracts were originally let on 1 December 2017 for a period of 3 years with the option to extend for a further two years (1 + 1). On 26 May 2021, the Executive approved the extension of the contract for two years, thereby exhausted all available contract extension periods with both contracts expire on 30 November 2023.
- 3.2 The whole life value of both contracts is £7,490k for 5 years (3 years + 2 years extension). This is comprised of the £6,745k for the adult service contract and £745k for the young people's service contract.
- 3.3 There were two contract variations to account for the drawdown of grants. On 26 May 2021, Executive approved a variation in the Adult Substance Misuse Contract to include a non-recurring Local Authority grant of £207k, of which £177k was allocated to the Adult Substance Misuse Service to support activities to reduce drug related offending and deaths in 2021/22.
- 3.4 On 29 June 2022, Executive approved a further variation to the Adult Substance Misuse contract of £225k due to the Supplemental Substance Misuse Treatment and Recovery (SSMTR) Grant being received from the Office for Health Improvement and Disparities (OHID).

#### National Context

- 3.5 The illicit drug market in the UK is worth almost £10 billion a year. Drug addiction fuels many costly social problems such as homelessness, worklessness and rising demands on children's social care. Substance users experience poor physical and mental health, and many are involved in the criminal justice system spending time in the courts and prison. Half of all homicides and half of acquisitive crimes are linked to drugs. Recreational drug use is also increasing with associated health and crime problems. Substance misuse impacts on neighbourhoods and the healthy environments that communities deserve.
- 3.6 The Government is committed to investing in tackling the problem rather than paying for the consequences and therefore mandates the provision of local systems for providing prevention, treatment, and recovery and to break the costly cycle of addiction and offending. Each £1 spent on treatment will save £4 from reduced demands on health, prison, law enforcement and emergency services.
- 3.7 Substance misuse treatment services work in partnership with key services in health, employment support, housing, and criminal justice to improve outcomes for substance users to enable them to make meaningful contributions to their local communities and economies.
- 3.8 Preventing drug misuse in young people is more cost-effective and desirable than dealing with entrenched, long-term substance use. Helping young people to build resilience and avoid substance misuse is essential, particularly for those young people most at risk of being drawn into using illicit substances or involvement in supply and its criminal associations.
- 3.9 The majority of recreational drug users do not see themselves as having a drug problem and rarely present at substance misuse services. However, this misuse carries risks and fuels the illicit drug market. It is therefore important to deliver outreach interventions to contact and identify these groups of users to encourage, with the aim to initiate, behaviour change.

- 3.10 In December 2021, the Government published a new 10-year drug strategy, *'From Harm to Hope'*. Through this strategy, the Government has committed to transforming drug and alcohol treatment and recovery. The strategy provides the foundation for work at both a national and local level to deliver its strategic priorities.
- 3.11 The benefits of combating illicit substance use can be significant and wide-ranging, improving people's safety, productivity, health, and wellbeing. People in recovery from substance misuse become better citizens and give back to their community at a higher rate than the general population, helping the vulnerable and making the community a safer place for all.

### **Local Context**

- 3.12 LBB has been proactive in implementing the National Drug Strategy at a local level with an approach that is underpinned by an evidence base, a comprehensive assessment of local need and strong partnerships across the local system, enhanced by effective commissioning.
- 3.13 Two separate needs assessments – Substance Misuse and Alcohol – were conducted earlier in 2022 which provide detailed analysis of both treatment services, pathways, and the substance and alcohol related needs of LBB residents – adults and young people.
- 3.14 The recent needs assessments have highlighted specific gaps in local provision that need to be addressed to ensure a quality world class system is delivered at a borough level. Thorough consideration and careful planning have been undertaken to develop solutions. This will need to involve scaling up provision in four specific areas:
- *Enhanced harm reduction provision* - supporting outreach and engagement, (including outreach for people with disabilities and new parents) and targeted street outreach
  - *Increased treatment capacity* - additional treatment places for opiate and crack users, for people dependent on alcohol & for non-opiate drug users. Also targeted services/provision for parents in need of treatment and support for children of drug and alcohol dependent parents and families. In addition, there is a need to locally enhance clinical capacity, capability, and expertise. Due to complex health issues community treatment is an unsuitable route for a number of residents and residential rehabilitation and inpatient detoxification is necessary
  - *Enhanced recovery support to increase residents' chances of sustaining their abstinence* - collaboration with employment and housing service to improve pathways and integrated system of care
  - *Expanding the competency and size of the workforce* – this will be necessary going forward to respond to the increased demands on the service as unmet need is being addressed. This will include increased number of drug & alcohol workers and clinical staff.
- 3.15 To strengthen partnerships across the local system, the Bromley's Combatting Drugs and Alcohol Partnership (CDAP) was established in September 2022 and is formed of senior membership from a wide range of partners including London Borough of Bromley; One Bromley, the Local Care Partnership of NHS South East London Integrated Care System (SELICS); NHS providers; Metropolitan Police; Probation Service; Department of Works and Pension; Community and Voluntary Sector. The CDAP will oversee a local, comprehensive approach to meeting the following three objectives set out in the National Drug Strategy:
- Break drug supply chains
  - Deliver a world class treatment and recovery system
  - Achieve a generational shift in demand for drugs

- 3.16 The Office for Health Improvement and Disparities (OHID) has developed a national Commissioning Quality Standard (CQS) to support implementation of the national strategy. The Standard provides guidance to support commissioning effective alcohol and drug treatment recovery services. Going forward, the CQS self-assessment tool will be used by Public Health, with the support of CDAP, to measure progress in meeting the standards.

## **Summary of Business Case**

### **Contract Variations**

- 3.17 Over the last few years, both services have worked hard to detect drug and alcohol misuse with the view to increase the treatment rate and narrow the gap of local unmet need which is well above national average. This has led to increased demand for both services, and the rate of growth has accelerated during the pandemic of covid-19. The contract value for substance misuse services will need to reflect current growth and demand for services as evidenced in the Bromley Substance Misuse Needs assessment and by OHID.
- 3.18 Previous modelling of growth and cost projection indicates an annual increase of £120k which is considered adequate. To manage this, a business case to increase the drugs and alcohol budget to reflect growth and demand was considered by the Chief Officers' Executive (COE), and growth of £150k was subsequently included in the 2022/23 budget agreed by Members in February 2022. As current demand is already creating a cost pressure for the services, it is proposed to provide the uplift from 1 December 2022 on a pro rata basis.

### **Contract Extension**

- 3.19 As both contracts will expire on 30 November 2023, it is proposed to extend the current contracts to end on 31 March 2024. The extension beyond existing term of the contract will enable the work commenced on strengthening partnerships and working on the Criminal Justice pathways to be completed. It will also align the contract with the final year of the SSMTR grant allocation. The extension will provide stability for the service until the end of the financial year.

### **Proceed to Procurement**

- 3.20 It is further proposed to procure a single contract to cover both the young people's and adult substance misuse services. While the adult and young people services are currently delivered by the same provider, if the contracts were let again individually there is no guarantee that they could be awarded to a single provider. Maintaining the current arrangement of one provider enables service efficiencies and effectiveness and streamlining service delivery.
- 3.21 Combining both Services into one single contract also allows the continuation of safe clinical governance and an opportunity to sustain a strong service identity.
- 3.22 A single young people's and adult service supports a whole family approach and allows improved transitional pathway for young people into adult services – if this is required.
- 3.23 Working together in one organisation that follows a whole family approach reflects Bromley's commitment to contextual safeguarding, enabling the linking of relationships and joining up support for adults and children in a household. It is also in line with Bromley's Relationship Model, working with whole family systems as identified by Bromley Safeguarding Children Partnership. This model is based on some of the findings and recommendations from the recent Needs Assessments.

- 3.24 Currently, the prescribing budget is included in the Adult Service contract value but the dispensing cost for community pharmacies continues to be held by the Authority and is recharged by the substance misuse service. To simplify the payment and invoicing processes, it is proposed to transfer the annual dispensing budget of £100k to the new contract.
- 3.25 It is also recommended that the new contract for the Adults and Young People's Substance Misuse Service be let for 5 years plus the options to extend for a further 3 years (5 years + 3). This will align the contract with the National 10 Year Drug Strategy with the contract term and national strategy completing coterminously.

### **Delegated Authority for Future Additional Grant Funding**

- 3.26 The current SSMTR grant is expected to continue into 2023/24 and 2024/25. While indicative grant amounts of £269,502 for 2023/2024 and £315,606 for 2024/2025 have been provided, they are yet to be confirmed. This report seeks authorisation to draw down the appropriate portion of the grant during successive years and agree the subsequent variation to the scope and value of the single Substance Misuse Service contract in line with the requirements of the grant.

### **Service Profile / Data Analysis / Specification Adult Substance Misuse Service**

- 3.27 The performance of the adult substance misuse service is good overall. The Public Health Outcomes Framework (PHOF) measure of successful completion of substance misuse treatment indicate an increase in successful completions since 2018/2019. The table shows the proportion of all service users in treatment who successfully completed treatment who did not re-present within the next 6 months. As can be seen the proportion of service users who did not re-present in Bromley was more than the national average during the 2020/21 and 2019/20. In non-opiate treatment programmes, in 2020/21, 47.4% did not re-present within 6 months as opposed to 32.5% nationally.

<b>Type of Drug</b>	<b>Year</b>	<b>Period of completion</b>	<b>Re-presented by</b>	<b>Bromley</b>	<b>National</b>
<b>Opiates</b>	2020/21	01/10/2019 to 30/09/2020	31/03/2021	6.0%	4.9%
	2019/20	01/10/2018 to 30/09/2019	31/03/2020	7.6%	5.7%
	2018/19	01/10/2017 to 30/09/2018	31/03/2019	5.0%	6.0%
<b>Non-Opiates</b>	2020/21	01/10/2019 to 30/09/2020	31/03/2021	47.4%	32.5%
	2019/20	01/10/2018 to 30/09/2019	31/03/2020	44.6%	34.2%
	2018/19	01/10/2017 to 30/09/2018	31/03/2019	34.4%	35.2%

*Proportion of service users who did not re-present within 6 months of completing treatment in 2018/19-2020/21 Source: DOMES 2020/21 and 2019/20 Reports*

- 3.28 The recent Substance Misuse and Alcohol Needs Assessment (2022) highlights levels of unmet need; that is the number of residents who are using harmful substances but are not engaged in treatment. Evidence published by OHID further illuminates this issue, in some areas, such as opioid use, Bromley's level of unmet need is above the regional and national levels as displayed in the table below:



**Unmet need\* – the estimated proportion of people in Bromley who are dependent on opiates and/or crack cocaine or alcohol not in the treatment system**

Substance	Local unmet need estimate	National unmet need estimate
Opiates and/or crack cocaine	72.3%	53.7%
Opiates	67.3%	47%
Crack	72.1%	57.7%
Alcohol	86.6%	80.7%

*\*Unmet need is defined as an estimate of the number (%) of people not in treatment service compared to the expected number.*

**Young People’s Substance Misuse Service**

- 3.29 From April 2019 to March 2020, there were 42 new service users in Bromley Changes. This increased by 20% to 50 for 2020 - 2021. In 2019-20, there were a total of 71 young people in service in the year to date, and 65 in 2020-21 this is likely to have been the impact of COVID-19. In 2020-21, 57% of service users were male and 28% were aged 16 years and 26% were aged 17 years.
- 3.30 In Bromley during 2020-21 cannabis was by far the most common drug used by young people, alcohol is the second most used substance with cocaine being the third.

**Options Appraisal**

- 3.31 **Option 1:** Do Nothing and allow the contract to expire on the expiry date.

This is not an option as the Council has a statutory responsibility to ensure this service is provided under the provisions of the Health and Social Care Act 2012. Without this service, Bromley residents would be disadvantaged.

- 3.32 **Option 2:** Retender the Young People’s Substance Misuse Contract and the Adult Substance Misuse Contract when they expire on 31<sup>st</sup> November 2023.

This is not recommended as it is not the most effective way of delivering substance misuse services in Bromley. It will cause instability to the service and is not the most efficient option.

- 3.33 **Option 3:** Approve the contract extension (beyond term), the revised financial envelope and the procurement of a single young people’s and adult’s substance misuse service.

- 3.34 **Preferred Option**

Option 3 is recommended to provide a single service that is based on local need and evidence of effectiveness, also ensuring best value for Bromley.

Local authorities have the duty to reduce health inequalities and improve the health of their local population. The provision of substance misuse services is mandated under the provision of the Health and Social Care Act 2012.

The new substance misuse service is a local service and will address substance misuse amongst young people and adults in Bromley through the provision of a range of evidence-based interventions focusing on:

- Increasing treatment completions

- Addressing unmet need
- Outreach to targeted populations
- Improving pathways into treatment, particularly from criminal justice settings
- Prevention and early intervention with young people
- Improved partnership working with key stakeholders

3.35 The long lead-in time of 18 months between procurement and contract start will enable the procurement process to be completed effectively. The specification for the service will be compiled according to best practice and tailored to meet the needs of service users and key stakeholders in LBB. The proposed 6-month mobilisation period will enable a timely smooth transition.

3.36 Transformative system change requires time and investment from the provider. Consolidating the learning and innovation from the COVID19 experience and responding to the dynamic arena of substance misuse by addressing emerging needs and developing new care pathways requires Provider commitment. The contract term of five years (plus 3 years) will provide both the timescales and resources to secure the best Provider and achieve improved outcomes for Bromley.

#### **4. MARKET CONSIDERATIONS**

4.1 Recovery from the Covid-19 pandemic has impacted on the market and the ability of providers to engage in a procurement process. Services are also still in recovery from Covid, so the contract extension also allows for some degree of market recovery and stability to the incumbent provider.

4.2 The incumbent provider is a voluntary organisation. There are a number of charities working with substance misuse locally. There is a degree of healthy competition in the marketplace for the delivery of substance misuse services from a range of providers

4.3 A Provider who has knowledge of LBB and/or the ICB footprint would be welcomed.

#### **5. SOCIAL VALUE, CARBON REDUCTION AND LOCAL / NATIONAL PRIORITIES**

5.1 The social value of providing substance misuse treatment for adults and young people includes reducing healthcare costs, improving the contributions to the local labour market and a reduction in premature death, violence and crime, housing problems and anti-social behaviour. Reductions in substance use in Bromley will also impact on local drug markets and crime. Supporting young people will help to prevent illegal substance use and encourage young people to make a positive contribution to their communities and the local economy.

5.2 Delivering substance misuse interventions locally also supports the ambitions from the national substance misuse strategy, *'From Harm to Hope: A 10-year drugs plan to cut crime and save lives'*

5.3 The Safer Bromley Partnership's priorities include preventing and reducing substance misuse.

5.4 Bromley Health and Wellbeing Strategy aims to tackle gaps in health inequalities and achieve real and measurable improvements in the health and wellbeing of residents

- 5.5 To adhere to the LBB Sustainable Procurement Policy, the implications of the Social Value Act 2012 will be included in the specifications and the tender process. The Council expects its Service Providers to support the Bromley's Net Zero Action Plan with the ambition to be a carbon neutral council by 2029. The expectations indicated in 5.7, avoid unnecessary travel and potential time off work.
- 5.6 The Provider will be required to be conversant with the key principles of the Social Value Act and consider the environmental, social and economic implications of delivering this service. The Provider will also be expected to comply with all relevant legislation and regulatory requirements.
- 5.7 The following social value outcomes and indicators will be included in the service specification:

Economic outcomes:

REF	OUTCOME	EXPECTATION
EC1	Create and sustain jobs for local people	The Provider will seek to recruit local residents to work in the service where possible and practicable
EC3	Promotion of opportunities to work with social enterprise partnerships, voluntary and community sector organisations and small and medium sized enterprises	The incumbent provider of the substance misuse services is a voluntary sector organisation. There are a number of similar providers in the market.

Social outcomes:

REF	OUTCOME	EXPECTATION
S1	Consider equality and diversity in the provision and operation of services including a workforce that is representative of the communities we serve where relevant and proportionate	Equal access to services is essential, especially to address health inequalities and diverse communities across LBB. Services must be available across the borough and operated by staff that reflect LBB's community. The provider is expected to maximise its digital capital to achieve greater reach without disadvantaging or excluding marginalised communities.
S3	Promote the safeguarding and welfare of children, young people and vulnerable adults	The Provider must have a robust safeguarding policy and procedure for children, young people and vulnerable adults
S4	Improving the health and wellbeing of local residents including employees	The service will improve the health of local residents by addressing and preventing substance misuse and its associated harms.

Environmental outcomes:

REF	OUTCOME	EXPECTATION
EN2	Efficient use of resources by minimising waste	The Provider will provide evidence of minimising waste including recycling

		policies and their use of digital records and paper free offices where possible
EN3	Reduce energy and fuel consumption in the provision of the service	The Provider will be expected to encourage staff to reduce fuel consumption and to promote sustainable and active travel. Services provided must be accessible by public transport for services The Provider will be committed to improving energy efficiencies in their estates and settings used to deliver the service

5.8 Social Value will be monitored for the life of the contract period. The impact will be tracked through quality indicators and reviewed at quarterly monitoring meetings.

## 6. STAKEHOLDER ENGAGEMENT

6.1 The Bromley Substance Misuse Needs Assessment, April 2022 engaged with both stakeholders and service users.

6.2 Stakeholders from statutory local authority services, health and the voluntary and community sector were engaged.

6.3 Service users from the BDAS Service User Council also provided their views on service delivery.

## 7. PROCUREMENT AND PROJECT TIMESCALES AND GOVERNANCE ARRANGEMENTS

### 7.1 Estimated Value of Proposed Action:

Variation to current contracts for the period December 2022 to November 2023 of £120k.

Extension beyond term for the current contracts for the period December 2023 to March 2024 of £540k.

Proposed new contract, commencing April 2024, at an estimated annual value of £1,718k for a 5+3 contract (estimated whole life value of £13,744k).

### 7.2 Additional Grant:

Aside from the above value, the current SSMTR grant is expected for a further two years. The indicative value provided by OHID is:

2023/24 - £269,502

2024/25 - £315,606

### 7.3 Proposed Contract Period:

Proposed extension period for current contract: 1<sup>st</sup> December 2023 – 31<sup>st</sup> March 2024 (4 months).

Proposed contract period for the new single Adult and Young People's Substance Misuse contract: 1<sup>st</sup> April 2024 – 31<sup>st</sup> March 2029 with the option to extend for 3 years until 31<sup>st</sup> March 2032.

The specification is being developed in line with the national guidance and according to local service planning and modelling. Ongoing stakeholder and market engagement will continue to inform the development of the specification. The attached appendix provides an outline of the evaluation criteria, specification plan and performance indicators (see Appendix 1).

The procurement will be guided by a detailed phased plan. A brief outline of plan is set out below:

Phase 1	November 2022 – December 2022	Initiating project team, scoping, data analysis
Phase 2	January 2023 – March 2023	Scoping and development
Phase 3	April 2023 – May 2023	Engagement
Phase 4	June 2023 – July 2023	Service development, market engagement
Phase 5	September 2023 – December 2023	Pre – tender period
Phase 6	January 2024 – March 2024	Main procurement activity Instruction to Tender
Phase 7	April 2023	Evaluation of bids/selection of provider
Phase 8	May 2023 – September 2023	Award Decision and Approval to Award Contract let
Phase 9	October 2023 – March 2024	Service transition Contract mobilisation period
Phase 10	1 <sup>st</sup> April 2024	Contract Start

A Substance Misuse Procurement Project Team has been established. Team members have been assigned specific tasks and roles according to the project plan.

In line with the Authority’s Procurement Guidance, an open, two stage procurement process with a 60%:40% Finance: Quality weighting is being administered.

## **8. IMPACT ASSESSMENTS (INCLUDING VULNERABLE ADULTS AND CHILDREN)**

8.1 An impact assessment will be conducted as an integral part of the procurement process.

## **9. TRANSFORMATION/POLICY IMPLICATIONS**

9.1 The National Drug Strategy is driving this procurement, particularly the ambition is to deliver a world class treatment and recovery system. This service will remain mandated and will continue to be commissioned by Public Health for the life of the proposed contract.

9.2 Adult and young people substance misuse services support the Council to meet its obligations under the Corporate Strategy, ‘Making Bromley Even Better’.

## **10. IT AND GDPR CONSIDERATIONS**

10.1 Personal data must be processed in accordance with requirements of the General Data Protection Regulation (GDPR) and the UK Data Protection Act 2018.

10.2 The Council, as part of its on-going commitment to sustaining a progressive approach to data protection and information management, requires the following to be considered and evidenced:

- Privacy by design and by default – the Council shall undertake a Data Protection Impact Assessment and manage all residual risk.

- The Council must ensure that the contract and any information sharing agreement have robust clauses obligating adequate technical and organisational measures to secure personal information.
- As a data processor, the Contractor must support the Council in responding to Freedom of Information and Subject Access requests.
- The Council must ensure that there is an appropriate exit strategy in relation to information retention requirements and transfer with the incumbent provider where necessary.

## **11. STRATEGIC PROPERTY CONSIDERATIONS**

11.1 N/A

## **12. PROCUREMENT CONSIDERATIONS**

- 12.1 This report seeks authority to extend the current contracts with Change, Grow, Live for the provision of Adults and Young People's Substance Misuse services for a period of 4 months until 31<sup>st</sup> March 2024 together with a variation to the current contract to reflect growth in the service as set out in section 3 of this report. The estimated cost of the variation is £120k and the estimated cost of the extension for both contracts will be £540k.
- 12.2 The Council's specific requirements for authorising an extension to the Adults and Young People's Substance Misuse contracts are covered by CPRs 13.1 and 23.6.
- 12.3 In addition, this report seeks authorisation to proceed to procurement for the provision of a single adult & young people's substance misuse service for a period of 5 years commencing on 1<sup>st</sup> April 2024 with the option to extend for a further period of up to three (3) years expiring on 31<sup>st</sup> March 2032. The estimated annual cost of the service is £1,718k with a whole life value of approx. £13,744k.
- 12.4 This is an above threshold contract, covered by the Light Touch Regime (LTR) of the Public Contracts Regulations 2015. An open process will be used, and an indicative timetable is included at Section 7 above.
- 12.5 The Council's requirements for authorising proceeding to procurement are covered in Rules 1 and 5 of the Contract Procedure Rules with the need to obtain the Approval of Executive following formal Agreement from the Portfolio Holder, Assistant Director Governance & Contracts, the Director of Public Health, the Director of Corporate Services, and the Director of Finance for a procurement of this value.
- 12.6 In accordance with Contract Procedure Rule 2.1.2, Officers must take all necessary professional advice.
- 12.7 In compliance with the Council's Contract Procedure Rule 3.6.1, this procurement must be undertaken using the Council's e-procurement system.
- 12.8 The actions identified in this report are provided for within the Council's Contract Procedure Rules, and the proposed actions can be completed in compliance with their content.

## **13. FINANCIAL CONSIDERATIONS**

- 13.1 The proposed extension and variation to the existing contract will increase the whole life contract value to £8,552k as set out in the table below:

	<b>Adults contract</b>	<b>Children's contract</b>	<b>Variations</b>	<b>Total</b>
	<b>£'000</b>		<b>£'000</b>	<b>£'000</b>
<u>Existing contract</u>				
2018/19 (4 months)	450	50		500
2019/20	1,349	149		1,498
2020/21	1,349	149		1,498
2021/22	1,349	149	86	1,584
2022/23	1,349	149	356	1,854
2023/24 (8 months)	899	99	80	1,078
	<b>6,745</b>	<b>745</b>	<b>522</b>	<b>8,012</b>
<u>Proposed extension</u>				
2023/24 (4 months)	450	50	40	540
	<b>7,195</b>	<b>795</b>	<b>562</b>	<b>8,552</b>

- 13.2 Variations of £177k and £225k were agreed in 2021/22 and 2022/23 respectively funded through the substance misuse grant allocations as detailed in paragraphs 3.3 and 3.4. Of the £177k, £86k was spent in 2021/22, with the balance of £91k spent in 2022/23, and has been added to the £225k for 2022/23 in the table above.
- 13.3 In addition, the proposed variations of £40k and £120k in 2022/23 and 2023/24 respectively are funded from the £150k growth included in the 2022/23 budget.
- 13.4 The estimated cost of the proposed new contract is £1,718k per annum with a whole life cost of £13,744k over the maximum 8 year term, excluding any inflationary increases or variations relating to future additional substance misuse grant allocations.
- 13.5 It is expected that the cost of the proposed new contract will be fully contained within the existing substance misuse budget funded from the Public Health Grant.

## 14. PERSONNEL CONSIDERATIONS

- 14.1 There are no personnel implications for the London Borough of Bromley. The Provider will be expected to address all staffing implications including TUPE arrangements and undertake appropriate staff engagement and consultation.

## 15. LEGAL CONSIDERATIONS

- 15.1 The Council has the power to receive and spend the Grant as outlined in this Report.
- 15.2 This award report demonstrates a procurement procedure that complies with relevant law (the Public Contracts Regulations 2015) and the Council's Contract Procedure Rules in relation to this proposed extension/variation.
- 15.3 This report also indicates that the Council has an existing contractual right to extend/vary the contracts in the manner described.
- 15.4 Furthermore, under the Council's Contract Procedure Rules (CPR), the Council's requirement for authorisation of an extension/variation/modification to a Contract, is in accordance to CPR

23.7 and 13.1 and where applicable the Public Procurement Regulations 2015 (the Regulations). Generally, the recommended approach to make a modification to a Contract would in any event fall and comply with Regulation 72 (1) which allows Contracts to be modified without a new procurement procedure where the requirement for modification has been brought about by circumstances which a Council could not have foreseen and that the modification does not alter the overall nature of the Contract and that any increase in price does not exceed 50% of the value of the original Contract.

15.5 Generally-speaking, (after relevant internal approvals), Officers must comply with any and all formal requirements in the contracts regarding the exercise of these extension/variation rights. They may wish to consult with colleagues in Legal Services if they have questions or otherwise require help on this issue or if they require any assistance with the formalities to exercise this right to extend/vary (e.g. change of control notice requirements etc) but this should not be difficult. It is also assumed the Council will enter into contracts/proceed to procurement with the successful tenderers on the advertised terms and conditions.

15.6 This report also indicates that the services being procured fall within the 'light touch' regime of the Public Contracts Regulations 2015. Officers should also ensure they comply with all Grant conditions.

## 16. WARD COUNCILLOR VIEWS

16.1

<b>Non-Applicable Headings:</b>	Sections 11 'Strategic Property' and 14 'Personnel Considerations'.
Background Documents: (Access via Contact Officer)	CSD21-062 'Substance Misuse Services – Lot 1 Adult Services Contract Variation & Lot 2 YP's Services Contract Variation. ACH22-024 'Adults Substance Misuse Contract Variation'



## Appendix 1. London Borough of Bromley's Substance Misuse Service re-tendering Evaluation Criteria, Specification Plan and Performance Indicators

### 1. Tender evaluation process

#### Stage one

1. Assessment of Ability
2. Technical Resources & Workforce

**The following set of criteria will be used to assess tender proposals from provider services. These are the criteria that will be included and the details of each will be refined further at a later stage**

#### Stage two

- Experience in providing services of a similar nature
- Meeting service outcomes as detailed in the service specification (response to include examples)
- Proposed structure of provision in Bromley
- Service transition (planning for an effective hand over process)
- Adding innovation and social value to the service specification
- Safeguarding
- Resource Management

### 2. Specification outline

The requirements set out in the specification have been developed to meet local need identified through the Substance Misuse and Alcohol Needs Assessments. The National Commissioning Quality Standards framework underpins the specification to ensure an effective and holistic alcohol and drug treatment service. In summary, the specification is designed to improve treatment access, outcomes and quality for residents affected by problem alcohol and drug use.

Whilst there is one single Provider being sought for the adult and young people's service, the specification distinguishes what is required for adult treatment in Part A and what is required to support children, young people directly and those impacted by the use of substances by others in their household, in Part B of the specification. The service will provide a complete treatment system for drug and alcohol users in the borough. The Provider will manage and deliver an efficient, high quality and evidence-based Service that is innovative and responsive to the needs of the local population. The Provider will work closely with Public Health and the Combatting Drugs and Alcohol Partnership (CDAP) to respond to developments & priorities that emerge through the improvement journey and to imbed processes of best practice that are highlighted by the Substance Misuse Criminal Justice Project, funded through the Supplemental Grant.

The Service will be delivered under a single Provider. The Provider will be expected to commission local pharmacies to deliver Supervised Consumption of Opioids Pharmacy Scheme and the Community Pharmacy Needle Exchange Scheme. It will have the necessary systems in place to spot purchase placements at specialist

residential Providers of detoxification and rehabilitation Services and will deliver the Community Alcohol Pathway. Furthermore, it will establish robust transitional pathways to enable seamless management of young people to adult treatment when this is needed. Hidden Harm support to children and young people affected by substance use within their household, will be an integral element of the support offer to all families in contact with the service.

Service user engagement was a fundamental element of the needs assessments and further engagement with a broad range of stakeholders, including residents impacted by substance use, will continue to inform the tender process.

### **3. Key and Quality Performance Indicators**

The following draft Key Performance and Quality Indicators will be included in the specification and targets will be developed when the specification is finalised following further stakeholder and market engagement.

#### **Adults:**

1. Number of clients in structured treatment for opioids, alcohol, non-opioid, non-opiate and alcohol
2. Number of treatment starts
3. Successful completions
4. Harm reduction (including Blood Born Virus screening, vaccinations for Hepatitis B and treatment)
5. Criminal Justice (including continuity of treatment from prison to community)
6. Supervised consumption & needle exchange
7. User feedback

#### **Young People and Hidden Harm**

1. Prevention & early Intervention
2. Effective Treatment
3. Successful completions
4. Specialist harm reduction
5. Family support
6. User feedback
7. Hidden harm