

SURREY COUNTY COUNCIL**CABINET****DATE: 23 SEPTEMBER 2014****REPORT OF: MR MICHAEL GOSLING, CABINET MEMBER FOR PUBLIC HEALTH AND HEALTH & WELLBEING BOARD****LEAD OFFICER: SUSIE KEMP, ASSISTANT CHIEF EXECUTIVE
HELEN ATKINSON, DIRECTOR OF PUBLIC HEALTH****SUBJECT: APPROVAL TO AWARD CONTRACTS FOR THE PROVISION OF AN INTEGRATED OFFENDER INTERVENTION SERVICE AND A MEDICAL AND PSYCHOLOGICAL TREATMENT SERVICE FOR DRUGS AND ALCOHOL****SUMMARY OF ISSUE:**

The Council's Public Health Service delivers drug and alcohol recovery services to residents. This Cabinet report seeks approval following a competitive tender process to award two separate contracts:

- (a) Integrated Offender Intervention Service
- (b) Psychological Treatment Service for Drugs and Alcohol

The current contracts expire on 31 March 2015. It is therefore necessary to award new contracts to begin on 1 April 2015.

The services will be provided in accordance with guidance from Public Health England in order to improve the delivery of Substance Misuse Treatment to develop and sustain recovery among services users across Surrey's eleven Districts and Boroughs.

Due to the commercial sensitivity involved in the contract award process, the financial details are included as confidential information in Part 2 of the agenda which demonstrates why the proposed contracts will deliver best value for money.

RECOMMENDATIONS:

It is recommended that:

- (1) the contract for the provision of the Integrated Offender Intervention Service is awarded to Crime Reduction Initiatives as described in the Part 2 report for a period of three years commencing on 1 April 2015, with the option to extend for a maximum of a further two years.
- (2) the contract for the provision of the Medical and Psychological Treatment Service for Drugs and Alcohol is awarded to Surrey and Borders NHS Foundation Trust as described in the Part 2 report for a period of three years commencing on 1 April 2015, with the option to extend for a maximum of a further two years.

REASON FOR RECOMMENDATIONS:

The recommended contract awards will deliver improved outcomes and will increase the numbers of service users accessing the services with a particular focus on severely dependant alcohol users.

The services will be delivered in Surrey by providers with a local presence and will provide apprenticeship opportunities to Surrey Young People whilst delivering efficiencies for Public Health Services.

DETAILS:**Background.**

1. Public Health England, formally named the National Treatment Agency, released a National Drug Strategy in December 2010 setting out a fundamentally different approach to preventing drug use in our communities and in support of recovery from drug and alcohol dependence. The new contracts seek to develop and sustain recovery among service users in line with this strategy.
2. The procurement for the two services forms part of Public Health's commissioning intentions in relation to substance misuse. This stems from the substance misuse chapter of Surrey's Joint Strategic Needs Assessment (JSNA) which identifies relevant needs across Surrey and its populations.
3. The contract for the Medical and Psychological Treatment Service will deliver services to those with a drug and alcohol dependency or have a complex need and provide an 11 bed Inpatient Recovery Unit that offers detoxification, stabilisation and a recovery programme to those with the most complex needs.
4. The contract for the Integrated Offender Intervention service is aimed at preventing problematic substance misuse, reducing drug and alcohol related crime, enabling and supporting long term recovery and provide rehabilitation and social reintegration of people in Surrey affected by drug and alcohol.
5. To ensure the success of the services, Public Health are committed to delivering a partnership approach to drug and alcohol dependence working in partnership with the Police and Crime Commissioner, communities, employment and housing services, prison and probation services to increase the ambition for recovery in Surrey. All the above partners sit on the Surrey Substance Misuse Partnership alongside Public Health, Adult Social Care, Children's, Schools and Families, Health and Boroughs and Districts. Governance of this partnership sits with the Surrey Community Safety Board.
6. Both nationally and in Surrey there is an increased need for services for high risk drinking and dependent alcohol users whilst there has been a minor decline in those for users requiring treatment for opiate and/or crack cocaine use. The new services will continue to focus on improving recovery outcomes for local residents.
7. As a result of a competitive tender process, the recommended contracts will enable Public Health to provide improved drug and alcohol services in line

with national guidance within the allocated budgets and will deliver combined savings of £388,000 per annum over the contract period.

8. By awarding the contracts to Crime Reduction Initiatives and Surrey and Borders NHS Foundation Trust, Surrey County Council will receive a high quality service at a competitive rate.

Integrated Offender Interventions Service Contract

9. The Integrated Offender Interventions Service contract will provide care for both drug and/or alcohol dependent offenders at all stages of engagement within the Criminal Justice System, from the point of arrest through to the end of sentence.
10. The new contract will combine two existing services into one, with the aim of supporting individuals engaged in the Criminal Justice System to break the link between drugs, alcohol and crime. The two existing elements are the Drug Rehabilitation Requirement and the Drug Intervention Programme, delivered by Surrey and Sussex Probation Trust and Crime Reductions Initiatives retrospectively. The delivery of Alcohol Treatment Requirements and Alcohol Specific Activity Requirements is a new Public Health outcome.
11. The new contract will ensure that there is continuity of care through the provision of an integrated care programme in line with recent national legislation – Offender Rehabilitation Act, 2014 – and the formation of the National Probation Service and Community Rehabilitation Companies to deliver the Government’s Transforming Rehabilitation Programme.
12. The current contract for Drug Rehabilitation Requirement provides a treatment program as part of a community sentence to offenders including 129 adults with drugs as a primary substance of use. The new service will have a larger capacity to meet the increase in community sentencing as outlined within the Offender Rehabilitation Act.
13. The current contract for the Drug Intervention Programme provides treatment to 202 adults with drugs as a primary substance of use. The numbers of individuals referred at the end of their sentence is expected to increase as end of sentence changes direct that offenders are discharged from a prison in their local area.
14. The proportion of individual offenders successfully completing treatment programmes and reducing drug/alcohol related offending will be increased within this contract by ensuring drug and/or alcohol dependent offenders access treatment rapidly and attain / sustain a positive outcome.
15. The Service Provider will be required to work in partnership with other organisations such as Surrey Police, Surrey’s Police and Crime Commissioner, Prisons, Courts, Surrey’s Community Rehabilitation Company (CRC) and the National Probation Service (NPS) involved within the Criminal Justice System through an Integrated Offender Management process using locally agreed protocols. The Service will be integral to the Partnership’s aim of preventing re-offending.
16. The Service will work to address the wider needs of the offender and will support the offender’s family (whole family approach) and their wider public

health needs. This will involve engagement with Surrey Family Support Service and both the children's and vulnerable adult's safeguarding agencies.

17. The Service will also work with local prisons to identify offenders in need of interventions on release from custody, in partnership with the Integrated Offender Management Team, prison and community substance misuse teams. The Service will provide an arrest referral and assessment service at police custody units, in courts for offenders identified as misusing substances and undertakes mandatory drug/alcohol assessments / testing as required by the courts as part of their sentencing conditions.

Medical and Psychological Treatment Service for Drugs and Alcohol Contract

18. The tender for the Medical and Psychological Treatment Service contract, currently delivered by Surrey and Borders Partnership Trust, is targeted to deliver integrated treatment that enable individuals to increase their opportunities to break free and recover from their alcohol or drug dependence.
19. The Medical and Psychological Treatment Service is a specialist community based service delivering care planned treatment including prescribed medication, psychosocial interventions and community detoxification for adult drug and/or alcohol dependant service users.
20. The current contract provides treatment to adult service users with a care planned treatment intervention within the substance misuse treatment system in Surrey including:
 - 1345 adults with opiate and/or crack cocaine as a primary substance of choice. The key outcome is for individuals to successfully complete their treatment and not need to return to treatment within six months. In Surrey, the outcome for this population will continue to be higher in comparison to England.
 - 748 Severely dependant alcohol users seeking abstinence only. With the development in the service specification, the new contract projects that the numbers will increase to 1890 and will cater to all severely dependent alcohol users. Access to alcohol treatment will have a reduction in wait time from six weeks to three weeks. Keeping waiting times low will play a vital role in supporting recovery in our local communities.
21. Individuals with the most complex needs will in addition to community interventions have access to stabilisation, detoxification, and a recovery programme at an inpatient recovery unit in Surrey.
22. The service specification;
 - a. Increases the number of individuals that can enter treatment, specifically for dependant alcohol users including those that are treatment resistant.
 - b. Develops more effective integration with primary care, social care and education /training/employment including practical working solutions.

23. The financial model for this contract incorporates an incentive payment mechanism, which will improve sustained recovery outcomes and deliver treatment that rewards “Quality & Innovation”

CONSULTATION:

24. Commissioners from Public Health, Adult Social Care and Children, Schools and Families teams, Adult and Children’s Safeguarding leads, colleagues from Finance, Legal and Procurement Services have been involved and consulted with.
25. A concept day was held on 6 May 2014 involving recovery champions, service users, internal stakeholders from Public Health, Adult Social Care and Children, Schools and Families and external stakeholders from Districts and Boroughs, Police, Clinical Commissioning Groups (CCG’s), Probation, Department of Work and Pensions as well as providers of drug and alcohol services. The aim of the concept day was to seek input from stakeholders of the service prior to the development of the service specifications.
26. The Substance Misuse Partnership group were consulted as part of the process to involve key partners in the decision making process.
27. Procurement panel membership included recovery champions, service users, Substance Misuse Partnership representatives from Health, Criminal Justice, Borough and District.

RISK MANAGEMENT AND IMPLICATIONS:

28. Both contracts include provisions which protect Surrey County Council in the case of unsatisfactory performances. These provisions allow the Council to serve notices seeking the provider to remedy any poor performance, suspend part of the service if deemed necessary or if termination is required, six months notice will be given to the provider/s.
29. The following table outlines the potential risks and mitigation activity in place:

Financial	If demand for the service increases in excess of numbers proposed within the service specification. This could lead to increased cost to deliver the service to Surrey County Council.	The cost of the contract is fixed and will not alter with demand for the service. If demand for the service decreases Public Health will work with the providers through the contract management process to realign services and ensure it continues to meet the needs of local residents.
	Potential risk that during the life of the contract the providers will request an inflationary increase against the annual service delivery cost.	The annual cost of the contact is fixed for the duration of the contract.

Reputational	Potential risk of redundancies of staff.	Surrey County Council will support any potential TUPE transfer to ensure that this risk is mitigated as far as possible.
Service	Difficulty with any TUPE transfer of existing staff during mobilisation could lead to a slow implementation of the new service.	A six month mobilisation period has been allowed to ensure the recommended service providers have sufficient time to implement the service.
	Poor quality of service and service does not deliver National and or Local Objectives.	Strong contract management and quarterly contract review meetings will mitigate the risk of a poor quality service. The use of an incentivisation model in the Medical and Psychological Treatment Service will enable us to closely monitor and understand performance delivery. Failure to meet the service outcomes and objectives will enable Surrey County Council to restrict payment based on performance and ultimately terminate the contract if performance does not improve.
	Disengagement of service users due to changes resulting from a new service provider	Surrey County Council will closely monitor data from the Providers, enable partnerships with key stakeholders and service user feedback, as part of the contract management process to ensure service users do not disengage from the service

Financial and Value for Money Implications

30. Full details of the contract values and financial implications are set out in Part 2 report.

Section 151 Officer Commentary

31. All material financial and business issues and risks have been considered/addressed: the contract enhances Value for Money and can be afforded within current budget plans.

Legal Implications – Monitoring Officer

32. The Council's Public Health Service has a requirement to deliver drug and alcohol recovery services to residents.
33. The procurement process for the provision of the two services was undertaken through an EU Procurement procedure. The tender was also advertised on the Council's website so as to attract local businesses.
34. The Council has been mindful of its equalities duties under the Equalities Act 2010 in carrying out the tender process and letting the contract with due regard to the need to eliminate discrimination in age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation whilst ensuring the needs of Surrey residents will continue to be met through the provision of these services.
35. The contracts offer the Council various measures of protection, include requirements that the providers comply with the Council's safeguarding and staffing policies, undertake Disclosure and Barring Service checks (formerly CRB checks) and subscribing for various insurance covers. The contracts also require the provider to indemnify the Council against all liabilities arising from any deliberate or negligent act, default, omission or breach of the agreement by the provider or any of its employees or sub-contractors (if any).

Equalities and Diversity

36. Under section 149 of the Equality Act 2010 Cabinet must comply with the public sector equality duty, which requires it to have due regard to the need to:
 - eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
 - advance equality of opportunity between persons who share a relevant characteristic and a person who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The Equalities Impact Assessments (EIAs) attached as Annex 1 and 2 respectively, set out the impacts of the recommendations on each of the protected group for each service. A range of positive impact has been identified for all groups.
37. The Equalities Impact Assessments (EIAs) set out the impacts of the recommendations on each of the protected group for each service. A range of positive impact has been identified for all groups. However the EIA observed the following:
 - That the providers should promote its services and deliver interventions in a way which will enable transgender clients to be more confident in accessing the service.
 - Similar recommendations were made in respect of female clients, as the EIA found that traditionally women are under-represented in a substance misuse treatment.

38. The Quality and Innovation measures introduced as part of the Medical and Psychological Treatment Service for Drugs and Alcohol contract will enable targeted responses to identified areas of need.
39. The EIAs attached as Annex 1 and 2 respectively have been approved by the Director of Public Health before this paper was submitted to Cabinet.
40. The contracts make it a legal requirements that the providers comply with all relevant equality and diversity legislation (including but not limited to the Equality Act 2010) whilst delivering the services. This includes a clause which requires the providers to ensure its personnel comply with all equal opportunities policies when dealing with both service user and staff.

Safeguarding responsibilities for vulnerable children and adults implications

41. The terms and conditions of the contract, which the successful provider will sign, stipulate that the providers will comply with the Council's Safeguarding Adults and Children's Multi-Agency procedures, any legislative requirements, guidelines and good practice as recommended by the Council. This will be monitored and measured through the contractual arrangements.
42. Both services will operate a client and/or family-centred approach, working collaboratively with Social Care and Surrey Family Support Service.

Public Health implications

43. The two contracts are commissioned by Public Health to deliver preventative substance misuse services to compliment other services to enhance the health and wellbeing of residents of Surrey, including:
 - Smoking cessation
 - Health checks
 - Sexual health screening and assessments
44. The Contracts aim to ensure social sustainability and enhance the community environment by:
 - Reducing drug and alcohol related crime
 - Safeguarding Children and Vulnerable Adults
 - Reducing street drinking, rough sleeping & street begging
 - Reducing serious drug & alcohol anti-social behaviour
 - Reducing the demand for drugs, resulting in decreased dealing in the community.
 - Reducing the risk of emergence of Sexual Exploitation Networks linked to organised crime and terrorist networks
 - Preventing evictions and reduce homelessness
 - Reducing onward transmission of Blood Borne Viruses (e.g. HIV, Hepatitis C)

WHAT HAPPENS NEXT:

45. The timetable below for implementation for both services is as follows:

Action	Date
Cabinet decision to award (including call in period)	2 October 2014
Procurement Standstill Period ends	10 October 2014
Contract Award	10 October 2014
Contract Signature	31 October 2014
Contract Commencement Date	1 April 2014

46. Colleagues from Procurement and Public Health will work closely with the successful providers to ensure a smooth transition from the current provisions to the new services.

47. The current providers and the new providers will be required to work together with regard to the transfer of staff under the Transfer of Undertakings (Protection of Employment) Regulations 2006 to ensure the continuity of staff for current service users and the successful transfer to the new service.

Contact Officer:

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Consulted:**Internal**

Donal Hegarty – Adult Social Care, Senior Commissioner
Gail Hughes – Public Health, Alcohol Lead
Elaine Malloy – Children’s Services Commissioner
Anna Tobiasz – Adult’s Category Manager
Lucinda Derry – Principal Accountant
Paul Carey-Kent – Strategic Finance Manager
Karl Smith – Service User & Carer Development Officer

External

Substance Misuse Partnership
Penny Goodale – Surrey Police
Jeff Harris – Deputy Police and Crime Commissioner, Surrey
Amy McLeod – Police and Crime Commission’s Office
Craig Horrocks – Sodexo
Simon Dann – Department of Work and Pensions
Kate Tree-Cooper - Prison Substance Misuse Commissioner, NHS England
Providers within the Drug and Alcohol Treatment System
Service Users within the Drug and Alcohol Treatment System

Annexes:
EIAs (Annex 1 and 2)

Sources/background papers: None
