

Annex A – Procurement process

Summary of Procurement process in respect of the contract for the Young People's Substance Misuse Service.

1. The existing contract for the provision of the Young People's Substance Misuse Service will expire on 31 March 2019 with no option to extend further. A full tender process compliant with the Public Contracts Regulations 2015 and Procurement Standing Orders has been carried out following the approval of the Sourcing Plan by the Sourcing Governance Board (SGB) on 7 August 2018.
2. The SGB considered the following options.
 - a. **Option 1 – Re-tender for a new Young People Substance Misuse contract**
The new service will be redesigned to support Young People age 11-24 years, which increases the eligibility age for those Young People who are 21-24 years old and not currently supported. The service will aim to develop a smooth transition to adults services and develop Early Intervention support for young people. This is a preferred option.
 - b. **Option 2 – Procure joint service with Adult Substance Misuse service**
It was concluded that the potential risks to service users, particularly to young people accessing the service, was too great to recommend as an option.
 - c. **Option 3 – Decommission the service**
The current contract has exhausted all available extensions, which means that the service would stop once the contract expires on 31 March 2019. If the service is decommissioned, there would potentially be an increase in offences committed, lower engagement in employment (increased NEET) and long term health risks.
2. In order to implement Option 1, an open procedure was chosen based on the number of potential providers identified to be interested in bidding for this contract at the pre-procurement stage.
3. Action was taken to stimulate interest in the contract opportunity through a Supplier Market Engagement event that was held on 13 June 2018.
4. Following a pre-tender Supplier Market Engagement Event, the invitation to tender was published on 13 August 2018 in the Official Journal of the European Union (OJEU).
5. By the deadline of 24 September 2018 the Procurement Team received 3 tender submissions which were evaluated by the Evaluation Panel.
6. The tenders were evaluated using the award criteria which comprised of 80% Quality Score and 20% Commercial Score.
7. In accordance with best practice, each response to the Quality questions were assessed by 5 evaluators independently and the interview questions were scored by 6 evaluators including a service user. Scores were then moderated and weighted.

8. The formal tender results are subject to the Cabinet approval to award the contract and once approved all bidders will be informed of the tender results.
9. The performance of the contract will be monitored through a series of Key Performance Indicators (KPIs), which are linked to Performance by Results (PbR) payment arrangements. The core budget is worth 90% of the contract price and 10% will be paid on completion of the KPIs.