

Extension of the adult drug and alcohol treatment service contract

AGENDA NO:

Cabinet Date	14 October 2020
Public Health & Communities	Cllr Tim Harman
Key Decision	Yes
Background Documents	Cabinet decision to procure and award a contract to deliver community drug and alcohol services for adults from 1 January 2017 (20 April 2016)
Location/Contact for inspection of Background Documents	Previous Cabinet decision: https://glostext.gloucestershire.gov.uk/documents/s28948/Item%209%20-%20Drug%20and%20Alcohol%20Recovery%20Services%20Decision%20Report.pdf
Main Consultees	Internal support services Contract provider (Change Grow Live)
Planned Dates	Notice must be given to provider by 31 March 2021 Contract extension effective from 1 April 2022 – 31 March 2024
Divisional Councillor	N/A
Officer	Jennifer Taylor, Lead Commissioner (Public Health) 01452 583540 jennifer.taylor@gloucestershire.gov.uk
Purpose of Report	To seek Cabinet approval to extend the contract for adult drug and alcohol treatment services for a further two years, as permitted in the contract.
Recommendations	To grant a +2 year extension to the contract with Change Grow Live for adult drug and alcohol treatment services from 1 April 2022 to 31 March 2024.
Reasons for recommendations	The rationale supporting this recommendation can be found in Section 2, (Option C).
Resource Implications	The 2020/21 contract value is £5,350,000. The total cost of the proposed contract extension would be: £10,700,000 The investment required to implement the recommendation is within existing budget allocations and will come from the Public Health Grant.

MAIN REPORT CONTENTS

1. Background

1.1 Gloucestershire County Council (GCC) is responsible for commissioning drug and alcohol treatment and recovery services and is required, as a condition of the Public Health Grant, to have regard to the need to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services.

1.2 The current contract for the drug and alcohol treatment service was awarded to Change Grow Live (CGL) from 1 January 2017. This followed a Cabinet decision in April 2016 to carry out a comprehensive OJEU compliant open competitive tender.

1.3 At this time, the contract value reduced from £5.9m per year to £5.16m. Additional services previously commissioned separately were also incorporated into the specification so that this contract now encompasses more responsibilities for a reduced budget than the previous specification.

1.4 The contract term is seven years and three months, with an initial contract term of five years and three months (to 31 March 2022) and the option to extend for a further two years to 31 March 2024. The Council is required to give notice to the provider of the intention to activate the extension clause no later than midnight 31 March 2021.

1.5 Some additional recurrent investment in the service (£185,000) has been made from 2020/21 in response to unavoidable cost pressures in the prescription of opiate substitutes. The 2020/21 contract value is £5,350,000.

1.6 The awarded to Change Grow Live (CGL) January 2017 built on previous evolution of the drug and alcohol treatment system within the county, with an increasing focus on:

- better integration across health, social care and criminal justice;
- closer working with children's services to reduce harm to children and families from parental substance misuse;
- access to services for people dependent on alcohol; and
- achieving and sustaining recovery.

1.7 CGL provides a comprehensive service, encompassing group and 1:1 work, psychosocial interventions, medical treatment/prescribing, harm reduction (e.g. needle exchange), drug and alcohol arrest referrals, hospital in-reach, residential rehabilitation and in-patient detox and broader recovery support (e.g. housing, training and employment).

1.8 To date, delivery of the service has been good. CGL has achieved its primary KPIs within a challenging financial and service delivery environment. This includes consistently low waiting times (better than national average), increased engagement rates and higher numbers of people accessing the service. In 2019-20, the service provided structured treatment for 2,605 drug and alcohol users, against the contract expectation of 2,173.

1.9 Under the previous provider, successful treatment completions (opiate, non-opiate and alcohol) dropped below target in the lead up to recommissioning and continued to drop for some time after CGL took over the service. CGL has focused on these indicators and

improved performance over the last two years, so that we now remain in and around the top quartile of Public Health England (PHE) comparator local authorities each quarter and are favourable within the south west region overall.

1.10 Sustaining this improvement, particularly following the impact of Covid-19 and lockdown restrictions, will be challenging. CGL has continued to provide the county with a balanced treatment system during lockdown, working to bring those most in danger of harm into the service and ensure they have opportunities to both increase good health and move on to recovery. However, commissioners are working closely with CGL to monitor the impact of the lockdown restrictions on recovery rates.

2. Options

The following options have been considered:

a) Give notice to end the contract at year 5 (March 2022) and do not recommission a service

This option was discounted because it poses a significant risk of harm to around 2,500 vulnerable service users, their families and communities. Although the provision of drug and alcohol treatment by GCC is not mandated, it is a condition of the Public Health grant that budget is used to improve outcomes from drug and alcohol services. The longer term impacts would be expensive and system-wide – including on GCC children's and adult social care, the NHS, district council housing and the criminal justice system – and present major reputational risk for GCC.

b) Recommission the service from the end of year 5 (from March 2022)

The options appraisal identified a number of reasons for this option to be discounted:

- Staff, service users and stakeholders have fed back to us that they value the stability of longer contract terms and there is evidence that past instability has negatively affected service user outcomes.
- The provider market is currently relatively stagnant, with a low number of tenders for other contracts being let around the country and with a potentially risk-averse response to recent financial and Covid-19 pressures
- Service performance dipped significantly in the lead up to and following recommissioning and has only returned to acceptable levels relatively recently – a pattern seen during previous recommissioning exercises.

There are no further options within the contract for extension beyond March 2024 and it would be appropriate at that time to consider future recommissioning arrangements that ensure GCC continues to achieve best possible value for money and outcomes for service users. A strategic review will be completed to inform this recommissioning process and identify the most appropriate delivery model to support those affected by substance misuse in Gloucestershire.

c) Trigger the +2 option and continue the current contract beyond year 5 (until March 2024)

This is the preferred option because:

- Staff, service users and stakeholders have fed back to us that they value the stability of longer contract terms and there is evidence that past instability has negatively affected service user outcomes. Stability of service is particularly important as the county recovers from the Covid-19 pandemic and lockdown restrictions.
- Recent procurement exercises in other areas, particularly in the south west, have seen low numbers of bidders and providers have indicated that both Public Health budget reductions and the impact of Covid-19 are likely to lead to more risk aversion in the sector.
- Although the change control process prevents radical change, flexibility is built in to the specification to enable the service to adapt to changing service user needs or local priorities, through annual business plan and contract value reviews. Commissioners are already working with CGL to understand the impact of Covid-19 and any lessons learnt, including ways of working, e.g. digital access, which the provider wishes to sustain.
- Should the recommendation be agreed by Cabinet, a strategic review of drug and alcohol provision and its role in the wider system will be carried out to inform future service design and recommissioning in 2023.

3. Risk Assessment

3.1 The following risks have been identified:

- **Risk of challenge by alternative providers – LOW risk.** The terms and conditions of the contract as advertised at the time of the competitive tender in 2016 include the option to extend the contract for a further two years to March 2024 so there is unlikely to be grounds for challenge by alternative providers. We also have evidence that other recently advertised contracts have had low levels of interest, indicating that there is low appetite for challenge within the sector.
- **Risk that the provider is unable to or does not wish to continue delivery beyond March 2022 – LOW risk.** The proposal has been discussed with the provider during the annual business planning cycle and they have confirmed their intention to continue delivery if this recommendation is agreed. GCC is required to give 12 months notice of our intention to extend the contract. Notice periods for ending the contract remain the same for both GCC and the provider.
- **Risk that GCC is unable to continue to commission the service due to financial constraints – LOW risk.** The contract value is agreed between GCC and the provider on an annual basis through the business planning process, allowing for fluctuations in the budget available, including new cost pressures or reductions in the Public Health grant. It is a condition of the Public Health grant that GCC has regard to the need to

improve the take up of, and outcomes from, its drug and alcohol misuse treatment services.

4. Officer Advice

4.1 Officer advice is to agree the recommendations set out in this report.

5. Equalities considerations

5.1 The Due Regard Statement originally produced to support the decision to procure this service in April 2016 has been updated and accompanies this report.

5.2 No material changes to the service specification or delivery are proposed. As with the original Due Regard Statement, consideration of the likely equalities impact of the recommended option indicates that there is no disproportionate negative effect upon those with protected characteristics.

5.3 Cabinet Members should read and consider the Due Regard Statement in order to satisfy themselves as decision makers that due regard has been given.

6. Consultation feedback

6.1 A full public consultation exercise has not been carried out on the basis that no material changes to the service specification or delivery are proposed.

6.2 Officers carried out a series of stakeholder engagement events in late 2019 / early 2020 (these were curtailed due to Covid-19 restrictions and pressure in March). However, the key feedback from staff, service users and partners that is directly relevant to this decision was a widespread preference for consistency and stability of service, supporting the recommendation in this paper.

7. Performance Management/Follow-up

7.1 The contract will continue to be managed by the GCC commissioning team against a balanced scorecard of agreed key performance indicators (KPIs). This includes formal performance management meetings and six monthly Clinical Quality Review Group meetings, incorporating GCC, CCG and NHS England oversight of clinical governance.

7.2 Performance against a number of these KPIs – including the rate of service users achieving sustained recovery – is reported quarterly to the Adult Social Care & Communities Scrutiny Committee.

7.3 Wider stakeholder oversight of service delivery is via the Gloucestershire Drug & Alcohol Working Group, which reports in to the Safer Gloucestershire Board.

Report Title	Extension of the adult drug and alcohol treatment service contract
Statutory Authority	Health & Social Care Act 2012
Relevant County Council policy	Help people of all ages to stay healthy and well Intervene effectively to keep vulnerable children and young people safe Increase the resilience and safety of local communities
Sustainability checklist:	
Partnerships	Wider stakeholder oversight of service delivery is via the Gloucestershire Drug & Alcohol Working Group, which reports in to the Safer Gloucestershire Board.
Decision Making and Involvement	Engagement of service users and staff undertaken in late 2019 and early 2020 to inform this stage. This will be continued post Covid-19 to inform future recommissioning.
Economy and Employment	Recovery focused service supports service users to access education, training and employment. Provider currently employs around 100 members of staff.
Caring for people	Service provides person-centred support and treatment for addiction.
Social Value	Social value tested as part of the competitive tender exercise in 2016. In particular, service includes opportunities for volunteering for those who have completed treatment, providing a foundation for future employment.
Built Environment	No impact
Natural Environment' including Ecology (Biodiversity)	No impact
Education and Information	Service supports local efforts to promote public health messaging relating to substance misuse including key issues such as Hepatitis C.
Tackling Climate Change	Carbon Emissions Implications? Positive/ Neutral/ Negative Vulnerable to climate change? Yes/ No/ Maybe

<p>Due Regard Statement</p>	<p>Has a Due Regard Statement been completed? Yes/No Yes - considerations included in main body of report</p> <p>A copy of the full Due Regard Statement can be accessed on GLOSTEXT via http://glostext.gloucestershire.gov.uk/uuCoverPage.aspx?bcr=1</p> <p>Alternatively a hard copy is available for inspection from Jo Moore, Democratic Services Unit, e-mail: jo.moore@gloucestershire.gov.uk.</p>
<p>Human Rights Implications</p>	<p>None</p>
<p>Consultation Arrangements</p>	<p>A full public consultation exercise has not been carried out on the basis that no material changes to the service specification or delivery are proposed.</p> <p>Officers carried out a series of stakeholder engagement events in late 2019 / early 2020 (these were curtailed due to Covid-19 restrictions and pressure in March). However, the key feedback from staff, service users and partners that is directly relevant to this decision was a widespread preference for consistency and stability of service.</p>