

**REPORT TO THE HEALTH AND WELLBEING BOARD/ SSDG**

**Date 14<sup>th</sup> April 2015**

**Commissioning of Substance Misuse Services**

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**1. Purpose of Report**

1.1 To inform the HWB of the planned commissioning of substance misuse services in Barnsley, for contract implementation as from 1.4.16

**2. Recommendations**

2.1 Health and Wellbeing Board members are asked to:-

- Note the contribution the substance misuse service will make to support the outcomes defined in the Health & Wellbeing Board Strategy 2014/19
- Acknowledge the reduction in funding and future funding uncertainty.
- Support the work to ensure the service specification is developed in order to achieve the procurement activity, as outlined in 5.2, to deliver a successful outcome within the designated timescales.

**3. Introduction**

3.1 Drug and alcohol commissioning responsibility, along with the management of the 'pooled' treatment budget, was part of the public health functions that transferred in April 2013 to local government under the Health & Social Care Act 2012. Substance Misuse Commissioning within Local Authorities varies across the Country. Within Barnsley, Substance Misuse Commissioning has always sat within the Adults and Communities Directorate and, with the introduction of Future Council, will continue to be managed by the Communities Directorate moving forward.

3.2 In April 2010 BMBC commissioned a redesigned substance misuse treatment service that was outcome and recovery focused. Contracts were divided into 7 'Lots' and bids were received from public, independent and third sector providers.

- 3.3 Contracts were offered for 4 years, from 1st April 2010, with an option to extend for 2 years. Contracts for the 7 Lots were won by three third sector providers, with the 2 clinical treatment Lots being sub-contracted to the local NHS Trust.
- 3.4 In 2013, the Joint Commissioning Group (JCG) took the option to extend the contracts for a further 2 years, resulting in their pending expiry on 31st March 2016. BMBC, in conjunction with key commissioning partners, is now preparing to redesign the substance misuse service and commission against a new specification.
- 3.5 The new service, to be implemented as from 1.4.16, will contribute to the following outcomes defined in the 2014/19 Health & Wellbeing Board Strategy:
- To reduce the amount of time people spend avoidably in hospital through better and more integrated care in the community, outside of hospital.
  - To support people to achieve safe, healthy and independent living - promoting greater choice and control, thereby delaying and reducing the need for care and support.
  - Lifestyle choices (health improvement)
  - To reduce the harmful effects of drinking excess levels of alcohol.

#### **4. Substance Misuse Service**

- 4.1 In 2014 Public Health commissioned an Independent Review of Arrangements for Commissioning and Provision of Drug and Alcohol Service for Barnsley. The report highlighted that:
- Current arrangements for commissioning of drug and alcohol services are spread across the Council and partner organisations including the Drug and Alcohol Action Team (DAAT) based in the Adult and Communities Directorate, the Children, Young People and Families Directorate, Public Health Directorate, Barnsley Clinical Commissioning Group (CCG), and South Yorkshire Police and Probation.
  - The impact of substance misuse is wider than those misusing the substance, and can affect their families and wider communities, as well as incurring costs to society, the NHS, the welfare benefits system and policing.
  - The nature of substance misuse is changing. The growing use of image enhancing drugs and club drugs present different challenges to the diminishing group of traditional opiate injectors.
  - Alcohol misuse remains a primary concern; flexibility must be built into the system to address emerging substances and the people who are using them.
- 4.2 A recent, albeit delayed, report of the Office of the Children's Commissioner (October 2014) found that although some services were in place in Barnsley, there was insufficient support for children of alcohol misusing parents. This presented a clear challenge to services locally as we know that the impact of drug and alcohol misuse within a family context can lead to issues of inter-generational dependency and can significantly harm the life chances of children.

Subsequent work on parental substance misuse is currently led by the Children and Young People's Commissioner with multi-agency collaboration.

- 4.3 The impact of substance misuse, especially alcohol due to its prevalence, has a significant impact on health inequalities. There is both crime and anti-social behaviour associated with substance misuse – both overt drug dealing and the hidden impact of substance misuse within homes etc.
- 4.3 Both increased prevention and early intervention and Recovery and abstinence will contribute to reducing health inequalities and local, more accessible treatment opportunities will aim to reduce this impact and collaborative work with local Safer Neighbourhood Teams will contribute to improved community safety.
- 4.4 'Successful completion' from treatment is one of the key Public Health Outcomes required of the authority and the challenge of the commissioning with a reduced resource envelope process will be to minimise any negative impact on the improving achievement against this indicator.
- 4.5 The key outcomes for service delivery are those required by Public health England:
- 2.15 Successful completions of treatment
  - 2.16 People entering prison with substance dependence issues who are previously unknown to community treatment
  - 2.18 Reduction in alcohol related hospital admissions.
- 4.6 To achieve these outcomes, a range of interventions will be delivered including:
- Specialist children and young people's services
  - Harm reduction and early intervention
  - Recovery Navigation – including structured psychosocial intervention, support and management, education, integration and resettlement;
  - Pharmacological support – specialised and primary care support
  - Family and carers support
- 4.7 Provision will include but not exclusively:
- Early intervention and prevention, especially with children and young people
  - Effectively engaging with individuals who seek help and support for their substance misuse;
  - Enabling the successful completion of those individuals accessing treatment for drug and/or alcohol misuse;
  - Reducing offending behaviour linked to alcohol and/or Class A drugs;
  - Improving community safety;
  - Helping and supporting families, carers and significant others.

- 4.8 Substance misuse has a wider impact than just the individual. Treatment of substance misuse, including prevention and early education, contributes to the health and wellbeing of a community and its residents. Substance misuse affects a wide range of ages in the population and there is a clear relationship between substance misuse, poverty and social exclusion
- 4.9 Effective commissioning in substance misuse takes into account health inequalities and tackles the stigma, discrimination and prejudice often associated with substance misuse. It is the intention to commission an effective substance misuse treatment service that will address health inequalities and also reduce the negative impact of substance misuse on communities. The Service specification will take due account of NICE guidelines and other relevant national guidance and requirements.

## 5. Procurement Approach

- 5.1 On the 26<sup>th</sup> February the Public Contract Regulations 2015 which transpose the new EU Public Sector Directive (2014/24EU) in to UK law came into force. The new regulations abolish the distinction between Part A and Part B Services but introduces a new Light Touch Regime for the procurement of some services with a total contract value over 750,000 euros (approximately £600,000). The proposed substance misuse service is captured by the new Light Touch Regime, as the contract value is in excess of 750,000 euros, this requires the publication of a contract notice in the Official Journal and the publication of a notice on contract award.
- 5.2 The new regulations have seen the introduction of a new procedure; 'Competitive Procedure with Negotiation' This process can be used when the standard EU specifications will not meet the contracting authorities requirements and/or the contract requires a degree of negotiation 'because of the specific circumstances relating to the nature, complexity or the legal and financial make up or the risks attached to them'. The nature and complexity of this project is such that it is proposed it meets these requirements and this procedure is used.
- 5.3 Under this procedure tenders are submitted initially and are then subject to negotiation and then resubmitted to finalise positions. Bids would be evaluated according to a number of pre-stated quality and cost criteria.
- 5.4 The new contract will run for a period of three years from 1st April 2016, with the option of two further one-year extensions.
- 5.5 Procurement of the new service is likely to be subject to the Transfer of Undertakings Protection of Employment Regulations 2006 (TUPE), which protect the rights of the staff where they may be transferred to another provider. The final contract award date will be December 2015 giving the successful bidder adequate time to undertake a TUPE transfer and mobilise the new service.
- 5.6 The table below shows the high level timescales for the procurement of the new service

Activity	Date	Progress
OJEU Publication	May 2015	On Track
Return of PQQ's	June 2015	On Track
Invitation to Tender	July 2015	On Track
Tender Return	August 15	On Track
Negotiation Process	September 15	On Track
Best and Final Offers	September 15	On Track
Tender Award	October 15	On Track
Contract Commences	01 <sup>st</sup> April 16	On Track

## 6. Next Steps

6.1 The project team, including representation from the CCG, is working to support the consultation process, the development of the service specification and associated procurement documentation. Following the procurement process an update report will be presented to SSDG advising members of the successful bidder and providing information on the service model and mobilisation timescales.

## 7. Financial Implications

7.1 Substance Misuse expenditure is set to reduce slightly in 2015/16 to £5.668m as a result of the revised staffing structure put in place for the new business unit. In addition to this slight reduction the service is required to deliver savings as part of the Council's contract review (Communities 4). This reduces the available funding by £200,000 in 2015/16 with a further reduction of £800,000 in 2016/17 resulting in a total funding reduction of £1,000,000 from the pooled budget.

7.2 The budget plans of the Police and Crime Commissioner for the Drug Intervention Programme funding remains unknown for 15/16, and subsequent years. Sodexo who will manage the South Yorkshire Community Rehabilitation Company (formerly part of the National Probation Service) have also indicated that they will not be contributing to the virtual pooled budget. There is therefore a significant risk with regard to future funding of services and the resource envelope available for the commissioning.

7.3 The procurement will be undertaken net of the £1m cumulative savings target and within the overall resource envelope.

## 8. Consultation with stakeholders

- 8.1 With any significant change to treatment provision there is a requirement that there be consultation with effected stakeholders and service users. The current commissioned providers and the service user forum have been made aware of the intention to re-commission the substance misuse service.
- 8.2 In developing the service specification for substance misuse services for Barnsley a full equality impact assessment has been undertaken. The evidence shows:
- Stigma is often attached to substance users and the, and their families, are excluded by others in a community.
  - A reduction in funding is likely to reduce the reach and scope of the service, but the extent of will not be determined until the service has been re-modelled
- 8.3 There is already significant ongoing work to address the needs of those required access to both mental health and substance misuse services, utilising the Dual Diagnosis Steering Group. This work will continue and will utilise the recently published co-existing substance misuse and mental health issues profiling tool. The equality impact assessment will continue to be review as the specification develops.
- 8.4 Consultation is planned and will take place with partners, service users and providers. There is to be a provider consultation session on 17<sup>th</sup> March and a Market Awareness Event on 27<sup>th</sup> March which will be advertised via Yortender and via other networks. The information gathered through this process will inform the service model and subsequent service specification.
- 8.5 To ensure service user feedback is impartial arrangements have been made for an external agency to undertake consultation with service users and carers. They will also canvas the views of the LGBT and BME communities to better understand their needs and to ensure the re-configured services are accessible and welcoming and will report back their finding to inform the service specification.
- 8.6 This paper offers the opportunity for members of the HWB to consider the implications of the intended commissioning process and contribute their perspective as part of the consultation.

## 9. Background papers

- 9.1 Background papers used in the compilation of this report are available to view by contacting the DAAT Team, PO Box 634, Barnsley, S70 9GG.

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