

	<h2>CHIEF OFFICER IN CONSULTATION WITH COMMITTEE CHAIRMAN DELEGATED POWERS REPORT</h2>
<p style="text-align: center;">Title</p>	<p>Contract Award for Barnet Integrated Substance Misuse Prevention, Treatment and Recovery Service for Young People and Adults.</p>
<p style="text-align: center;">Report of</p>	<p>Director of Public Health, Adults and Health Directorate.</p>
<p style="text-align: center;">Wards</p>	<p>All</p>
<p style="text-align: center;">Status</p>	<p>Public</p>
<p style="text-align: center;">Enclosures</p>	<p>None</p>
<p style="text-align: center;">Officer Contact Details</p>	<p>Luke Kwamya, Head of Public Health Commissioning; Luke.Kwamya@barnet.gov.uk</p>

Summary

Barnet Integrated Substance Misuse Prevention, Treatment and Recovery Service for Young People and Adults (“the Services”) described in this Report were procured in accordance with published needs and Equality Impact Assessments. Barnet Council’s Policy and Resources Committee approved the procurement of the Substance Misuse Services (SMS) within the Council’s Procurement Forward Plan for 2019-2020 as approved on 11th December 2018.

The Services were put out to Tender on 19th August 2019. Following the procurement process, it is recommended the Contract is awarded to Change Grow Live (CGL)-Bidder 1. The Contract term for the service is for three (3) years with the option to extend for a further two (2) years.

Decisions

- 1. To award the Barnet Integrated Substance Misuse Prevention, Treatment and Recovery Service for Young People and Adults Contract, to Change Grow Live (Bidder 1), and for the award of the Contract to be for a period of three (3) years from 1st April 2020 (with the option to extend for an additional two (2) years).**

1. WHY THIS REPORT IS NEEDED

- 1.1 This is an authorised procurement, as recorded on the Annual Procurement Forward Plan; therefore, approval was provided to the Chief Officer to proceed with procurement of the activity and Award of Contract. The Policy and Resources Committee authorised the Annual Procurement Forward Plan 2019-20 on 11th December 2018, which identified the Barnet Department of Public Health requirement for the procurement activity of Drug and Alcohol service (Young People) and Substance Misuse Service (Adults).
- 1.2 This report is needed so that we at Barnet Council are able to continue to deliver the Substance Misuse Service once the Contracts with the current providers expire on 31st March 2020.
- 1.3 The current Contract for the provision of Barnet Integrated Drug and Alcohol Misuse Service is due to expire on 31 March 2020. The service provides interventions that meet the needs of adult service users and contribute to service outcomes for the prevention of substance misuse, treatment and recovery.
- 1.4 The current Contract for the provision of Barnet Young People Drug and Alcohol Service is due to expire on 31 March 2020. The service supports universal services to address drug and alcohol use by young people, delivers support to parents and carers of drug/alcohol using young people, offers support to young people at appropriate, accessible locations at appropriate times such as evenings or weekends, and targets prevention work at young people who are at increased risk of developing drug and alcohol misuse problems.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The recommended tenderer has passed the minimum quality thresholds and received the highest score in both the price and quality assessment. The recommended tenderer will provide a service model which responds to Barnet's needs (unmet need across all substance types, amongst deprived and affluent population groups and the Council's Public Health vision for an Integrated model that delivers Prevention, specialist Treatment and sustained Recovery.
- 2.2 It is expected that the re-commissioned Integrated Substance Misuse Prevention, Treatment and Recovery Service for Adults and Young People will help the Council to achieve the following aims/outcomes for residents:
 - Improved long-term mental and physical health, wellbeing, and quality of life for people affected by substance misuse.
 - Freedom from substance dependency.
 - Well-informed and supported families, children and young people, including but not limited to; improved relationships with family members, partners and friends; the capacity to be an effective member of the local community.
 - To address the complex and often multiple needs of young people and adults in addition to their drug and alcohol misuse issues and to work towards re-integration in their family, community, school or place of work where relevant.
 - To prevent and/or reduce the harm caused by misuse of drugs and alcohol and associated risks to young people, adults and their families, by improving health and social functioning.

- Reduced substance misuse related crime, anti-social behaviour and re-offending.
 - Improve public health and reduced health inequalities in Barnet, including but not limited to; the prevention of substance misuse related deaths and blood borne viruses.
 - Increase employment and reduce financial burden on local communities, including but not limited to; training, education and sustained employment.
 - The ability to access and sustain suitable accommodation including homeless service users.
 - Reduced need and demand for public services amongst people who have had substance misuse problems.
- 2.3 The priority focus of the procurement was to build on the success of the current services and focus primarily on providing evidenced based preventative services which is part of the Council's objective to provide health and wellbeing of residents. The new service also feeds into the criminal justice element in terms of prevention and deterrence.
- 2.4 As part of the Public Health England (PHE) requirements laid out in the Health and Social Care Act of 2012, Local Authorities are responsible for commissioning health and social care services for residents. Barnet Council Public Health Team are responsible for commissioning services for the treatment of substance misuse issues and these services are funded wholly by the Public Health grant. The existing Contract for substance misuse services ends in March 2020.
- 2.5 Prior to the release of the tender, a market engagement event was held on 4 July attended by 9 individuals from 5 organisations. Service User consultation was also held at the Dennis Scott Unit, Edgware Community Hospital on 1 August 2019.
- 2.6 The Services were put out to Tender on 19th August 2019. Procurement of new services were advertised on the Council's E-Tendering Portal; eSourcing Tool, Curtis Fitch at www.barnetsourcing.co.uk. Once organisations were registered and expressed an interest they received access to the procurement documentation for completion and submission. The service procurement advert was also placed in the Official Journal of the European Union (OJEU).
- 2.7 Organisations were invited to submit Tenders for the London Borough of Barnet (the 'Authority') seeking to appoint a sole service provider (the 'Provider') to deliver an Integrated Substance Misuse Prevention, Treatment and Recovery Service for Adults and Young People on its behalf for a fixed-term period of three years from 1 April 2020 to 31 March 2023 with the option to extend for a further period or periods of up to two years from 1 April 2023 to 31 March 2025 subject to budget constraints and performance. The closing date was 30th September 2019. Three bids were received.
- 2.8 The Lead Procurement Manager for Public Health guided the procurement process and supervised the evaluation process but did not score the bids.
- 2.9 The procurement approach used for this Tender was based on the Open Tender Process. Given the fact that the services procured here fall within Schedule 3 of the Procurement Regulations 2015, the flexibilities in the procurement process offered up by the Light Touch Regime in the Public Contract Regulations 2015, have been utilised.

A compliant procurement process was followed throughout according to the Procurement rules/regulations.

- 2.10 Submissions from Bidders who passed the pre-selection Questionnaire stage were subsequently evaluated individually by Officer Panel members.
- 2.11 The Evaluation Panel Officers then met in October 2019 to complete moderation of all evaluated scores. This was to agree consensus scores for each of the method statement questions for the three bids received.
- 2.12 The Tender evaluation was based on 50% quality and 50% price. The quality award criteria for the Tender follows in the tables at **2.13 below**. The Council did not bind itself to accept the lowest bid, or indeed any bid, but looked for the most economically advantageous proposals based on the following evaluation stages:

(a) Stage 1 - Submission on time & Acceptance of T&C's: Bids needed to be submitted through the online E-Procurement Portal "Curtis Fitch" by bidders no later than 30th September 2019. Bidders needed to confirm acceptance of the terms and conditions of the Contract (subject to acceptance by the Council of any amendments proposed during clarifications) according to the Declaration by Tenderer.

(b) Stage 2 - Compliance Evaluation: Organisations needed to submit a Selection Questionnaire. The Selection Questionnaire is the standard pass/fail criteria for all OJEU tenders. It is a declaration by the Bidder of their eligibility to deliver the service they have tendered for. Two (2) case study questions were added to the Selection Questionnaire and these case studies needed to be scored. Bidders were required to pass these case studies too, to proceed to the next evaluation phase, Quality.

(c) Stage 3 – Method Statement Questions: Tender evaluation is based on 50% Quality. For this Tender, Bidders were assessed through the method statement questions for Quality.

(d) Stage 4 – Price Evaluation: Tender evaluation is based on 50% price. During the Tender stage Bidders were required to provide their rates (within the fixed budget set by the Council for both Adults and Young people' substance misuse service) for the contract period including possible extension periods.

2.13 Quality

Barnet Integrated Substance Misuse Prevention, Treatment and Recovery Service for Young People and Adults, Method Statement Questions-Scoring & Weighting

	Question	Scoring Range	Weighting
1	Service Delivery Model	0-5	20%
2	Project Plan	0-5	15%
3	Staffing Model	0-5	5%
4	Staff skills and experience	0.5	3%
5	Recruitment and CPD	0-5	2%
6	Service Flexibility	0-5	5%
7	Outcomes	0-5	10%
8	Care Placements	0-5	5%
9	Delivering Sub-Contracts	0-5	5%
10	Clinical Governance	0-5	5%
11	Clinical and non-clinical incident reporting	0-5	5%
12	Health & Safety	0-5	4%
13	Service User Engagement	0-5	4%
14	Efficiencies Savings	0-5	4%
15	Social Value	0-5	4%
16	Case Management System	0-5	4%

2.14 Scoring

2.15 The following scoring scale was applied to Method Statement responses:

Scoring Matrix

Score	Definition
0	Unacceptable
1	Poor
2	Adequate
3	Good
4	Very Good
5	Excellent

2.16 Pricing

2.17 The Tender set out a fixed price for both adults and young people services. However, bidders were requested to describe how they will deliver the minimum of 2.5% saving on the spend for the adults’ substance misuse budget.

2.18 Price consist of 50% of the evaluation weightings. The evaluation method ensured that the lowest price achieved the maximum available marks, with other Bidders scores calculated proportionately.

2.19 Based on the evaluation criteria above the scores were as follows:

Quality	Method Statement Questions (MSQ)	50.0%
Price		50.0%

Bid no.	Bidder	Weighted Quality Score	Weighted Pricing Score	Total	Ranking
		50%	50%	100%	
1	Bidder1	36.80%	50.00%	86.80%	1
2	Bidder2	28.40%	47.50%	75.90%	3
3	Bidder3	35.50%	48.89%	84.39%	2

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 One option that was considered and rejected was for Barnet Council to do nothing and to let the substance misuse service Contracts expire on 31st March 2020 without replacing them. This option was rejected as the provision of substance misuse services although not mandatory, supports the Council to meet its statutory duties under the Care Act 2014 including duties regarding promoting wellbeing.

4. POST DECISION IMPLEMENTATION

- 4.1 If the Decision recommended in this Report is approved, Commissioners and Procurement Officers will proceed as appropriate to notify Bidders as to the outcome of the Tender.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 This Substance misuse service commissioned activity will form part of the Council's statutory duties under the Health and Social Care Act 2012 to commission and provide appropriate public health services.

- 5.1.2 Barnet Substance Misuse Strategy 2015-2020, which was accepted and approved by Barnet's Health and Wellbeing Board in 2015, supported the recommissioning of Drugs and Alcohol services for adults, young people, their carers and families.

Barnet's key objectives of the strategy are:

- To prevent Barnet residents from harmful use of drugs and alcohol.
- To protect Barnet residents and their families/carers, including children and vulnerable

adults, from indirect harm caused by substance misuse.

- To promote and sustain recovery of Barnet residents identified as misusing substances.

5.1.3 Barnet's Joint Health and Wellbeing Strategy (2015-2020) includes the overarching aims of "keeping well" and "promoting independence". The recommissioning of the substance misuse services clearly supports some of the key priorities in the Health and Wellbeing Strategy, such as supporting carers, focusing on wellbeing and supporting people to gain and retain employment.

5.1.4 Post procurement, the Contract with the successful bidder will be robustly monitored and reviewed including their performance through key performance measures and outcome indicators.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

Finance & Value for Money

5.2.1 Barnet substance misuse service for Adults and Young People's (Drugs and Alcohol Service) respectively are funded from the Public Health Grant. The grant is ring fenced and funded from Public Health England. The 2019-20 forecasted spend on this budget is £2.883m.

5.2.2 The estimated and/or proposed substance misuse service Contract value as at the Tender release for the period from 2020-21 was **£13,446,927** for 5 years (please see table below). The budget will cover both adult and young people substance misuse service in Barnet. The budget for this service is as follows and is in line with the 2019-24 MTFS plan.

2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget (Optional extension)	2024-25 Budget (Optional extension)
£2,816,503.23	£2,751,335.42	£2,687,796.81	£2,625,846.66	£2,565,445.27

5.2.3 Following Tender submissions, Table 5.2.6 below shows the outcome of the pricing offers from three submitted bidders with, Change Grow Live (Bidder 1) offering the lowest price for both young and adult substance misuse service and therefore, achieved the maximum available marks and is the successful Bidder. Table 5.2.7 below shows the detailed pricing offer from the winning bidder per year for the 5-year period totalling **£12,752,230.10**.

5.2.4 The award of this Contract to Change Grow Live (Bidder 1) for the maximum 5-year term (subject to the terms and conditions of the Contract) should not cause budget pressure to the Council.

5.2.5 Regular financial monitoring forms part of the Contract, as does working within the ethos of continuous service improvement; the successful Bidder will be required to evidence key performance indicators that will form part of performance monitoring and contract monitoring which will take place on a quarterly basis. Monitoring of the contract spend will be carried out regularly and in line with corporate reporting timelines.

5.2.6 Tender Pricing Offers Following Tender Submissions

Pricing weighting	50%
--------------------------	------------

Bidders	Pricing score	Weighted Pricing Score
Change Grow Live (Bidder 1)	100%	50.00%
Bidder 2	95%	47.50%
Bidder 3	98%	48.89%

5.2.7 Winning Bidder Tender Pricing Offer (5 Year Period)

2020-21 Budget	2021-22 Budget	2022-23 Budget	2023-24 Budget (Optional extension)	2024-25 Budget (Optional extension)
£2,670,966.46	£2,609,180.81	£2,548,939.80	£2,490,204.82	£2,432,938.21

5.3 Social Value

5.3.1 The successful Bidder has offered quite a number of varying social value schemes specific to relevant groups of people and/or communities which offers have been considered as part of the award criteria, to ensure maximum benefits can be achieved via the agreed and approved financial spend. Implementation of these schemes will be followed up with the successful Bidder and Commissioners during mobilisation meetings to implement the new service.

5.4 Legal and Constitutional References

5.4.1 Legal are satisfied that a competitive procurement procedure has been carried out in accordance with the Public Contract Regulations 2015 and the Council’s Contract Procedure Rules (March 2018).

5.4.2 HB Public Law drafted Contract terms and conditions based on Barnet instructions received prior to issuing the Tender. The Tender process was as advised by the Procurement Manager at the London Borough of Barnet.

5.4.3 HB Public Law will complete and arrange for the Contract with the successful Bidder (based on those terms and conditions tendered and agreed by the successful Bidder during the Tender process) to be executed by the parties.

5.4.4 Where a Contract is within Budget and for procurements over £500,000, the Council’s Contract Procedure Rules (March 2018 - Tab 1 Paragraph E), under the Council’s Constitution, authorises the award of a Contract (including the appointment of Suppliers to it), by an authorised Chief Officer in consultation with the Chairman of the

relevant theme Committee. This procurement has also been recorded in the Procurement Forward Plan.

5.5 Risk Management

5.5.1 As part of the tender process, bidders were asked to submit an Implementation Plan for the Service, including:

- Timeframe for setting up the new service and details of activities and relevant staff responsibilities.
- Key risks with initiating the Contract and how these will be managed by bidders.

5.5.2 The Bidder's implementation plans were reviewed as part of the Tender process. Following Contract award, implementation plans will be agreed and finalised with the successful bidder and key stakeholders. Service mobilisation will be followed by having in place a project management approach which will include recording and managing risks.

5.5.3 Alongside the Implementation and Risk Plan, a performance framework will be agreed prior to commencing the service. The service specification include performance and outcome measures which will be monitored and reviewed through contract management throughout the term of the Contract.

5.5.4 The following table summarises the key impacts / risks and how they will be addressed.

Impact / Risk	Mitigation Strategy
TUPE	Bidder 1 have programmed in a series of staff consultation meetings in line with TUPE regulations and have set aside funding for any redundancies and any other claims. The implementation plans appear to address this area of concern.
Delivering a new service model	Bidder 1 have produced a robust implementation plan which covers all aspects of rolling out a new service model, including Information Governance issues, Staff, Communications and estates.
Ensure Council has considered its duties under the Equality Act 2010	The existing and published EIA for this service considered the protected characteristics outlined in the Act. This is also reinforced in the Contract T&Cs and the bid was assessed to ensure the proposed service promoted equal access.
Estates-Preferred premises plan falls through	Facilities team for Bidder 1 have additional premises identified. Additional contingency of negotiating short-term lease on current premises while alternatives put in place. Communication with commissioners/staff/service users at all times regarding process. Director involvement for all decision making.

5.6 Equalities and Diversity

5.6.1 The core provisions of the Equality Act 2010 (the Act) came into force on 1st October 2010 and the Public-Sector Equality Duty (Section 149 of the Act) came into force on 5th April 2011. Under Section 149, the Council must have due regard to the need to eliminate discrimination, harassment and victimisation prohibited under the Act and to advance equality for opportunity and foster good relations between those with protected characteristics and those without.

5.6.2 The protected characteristics are age, disability; race, gender reassignment, pregnancy and maternity, religion or belief, sex and sexual orientation. They also cover marriage and civil partnership regarding eliminating discrimination.

5.6.3 Any organisation providing public sector services will be subject to scrutiny by the Council to ensure that delivery complies with the Public-Sector Equality Duty. This duty will continue to be monitored under the Contract.

5.7 Corporate Parenting

5.7.1 There are no direct implications for children and the young people's drugs and alcohol services will be open to young people under 25.

5.8 Consultation and Engagement

5.8.1 There was no public consultation.

5.8.2 In the development of Service specification and Needs Assessment, service users (via survey, and in a face to face workshop) were consulted. Safer Communities Board was approached and consulted before going out to tender.

5.8.3 The case for commissioning and procurement of substance misuse services in Barnet are informed by:

- Barnet Substance Misuse Needs Assessment and Service Review (2014 refreshed 2019) and;
- Barnet Substance Misuse Strategy 2015-2020.

6. BACKGROUND PAPERS

6.1 Barnet Substance Misuse Strategy-2015-2020;
<https://barnet.moderngov.co.uk/documents/s24980/Appendix%201%20Barnet%20substance%20misuse%20strategy.pdf>

6.2 Annual Procurement Forward Plan 2019/2020:
Agenda Item 13 of the Policy and Resource Committee Meeting of 11th December 2018, The Committee considered the report which set out the detail of procurement activity for 2019/2020 and where known for 2020/21.
<https://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=692&MId=9460&Ver>

- 6.3 Young People and Adults substance misuse service needs, and Equality Impact Assessments were published and are available at the link below.
<https://www.barnet.gov.uk/health-and-wellbeing/health-and-wellbeing-key-documents/barnet-substance-misuse-needs-assessments>

Chairman: **Cllr Caroline Stock**

Date 27 November 2019

Chief Officer: Dr Tamara Djuretic

Date 27 November 2019