

**SUBJECT: Extension of Young Peoples' Drug and Alcohol Service Contract****Control sheet**

**All of the following actions MUST be completed at each stage of the process and the signed and dated report MUST be passed to the Governance Service for publishing**

<b>All reports</b>		
1. Governance Service receive draft report	Name of GSO Date	DPR 25/02/13
2. Governance Service cleared draft report as being constitutionally appropriate	Name of GSO Date	Chidilim Agada 28/02/13
3. Finance clearance obtained ( <i>report author to complete</i> )	Name of Fin officer Date	Colette Sutton 28/02/13
4. Staff and other resources issues clearance obtained ( <i>report author to complete</i> )	Name of Res officer Date	Rena Abrahams 5/03/13
5. Strategic Procurement clearance obtained ( <i>report author to complete</i> )	Name of SPO Date	Lesley Meeks 11 March 2013
6. Legal clearance obtained from ( <i>report author to complete</i> )	Name of Legal officer Date	Sheila Saunders 5/03/13
7. Policy & Partnerships clearance obtained ( <i>report author to complete</i> )	Name of P&P officer Date	Andrew Nathan 28/02/13
8. Equalities & Diversity clearance obtained ( <i>report author to complete</i> )	Name of officer Date	Andrew Nathan 28/02/13
9. The above process has been checked and verified by Director, Head of Service or Deputy	Name Date	Jay Mercer 18/03/13
10. Signed & dated report, <u>scanned or hard copy</u> received by Governance Service for publishing	Name of GSO Date	DPR 03/04/13
11. Report published by Governance Service to website	Name of GSO Date	Andrew Charlwood 03/04/13
12. Head of Service informed report is published	Name of GSO Date	Andrew Charlwood 03/04/13
<b>Key decisions only:</b>		
13. Expiry of call-in period	Date	N/A
14. Report circulated for call-in purposes to Business Management OSC members & copied to Cabinet Members & Head of Service	Name of GSO Date	

## ACTION TAKEN UNDER DELEGATED POWERS BY OFFICER (EXECUTIVE FUNCTION)

<b>Subject</b>	<b>Extension of Young Peoples' Drug and Alcohol Service Contract</b>
Officer taking decision	Deputy Director for Children's Services
Date of decision	13 March 2013
Summary	To extend the contract with Tavistock and Portman NHS Foundation Trust for the provision of young peoples' drug and alcohol service for the period 1 April 2013 to 1 July 2013 up to the value of £55,000.
Officer Contributors	Karina Ajayi, Commissioner, Children's Service Lindsey Hyde, Strategy and Projects Officer, Children's Service Elaine Tuck, Head of Service Commissioning and Business Improvement, Children's Service
Status (public or exempt)	Public
Wards affected	All
Enclosures	None
Reason for exemption from call-in (if appropriate)	N/A
Key decision	No
Contact for further information:	Lindsey Hyde, 020 8359 7994, <a href="mailto:lindsey.hyde@barnet.gov.uk">lindsey.hyde@barnet.gov.uk</a>

Serial No. 1951

## **1. RELEVANT PREVIOUS DECISIONS**

- 1.1 Cabinet Resources Committee, 30 July 2009 (Decision 7) – approved the commissioning of young people’s specialist treatment provision
- 1.2 Cabinet Resources Committee, 23 February 2012 (Decision 7) – approved the award of contract for Barnet’s Young People Drug and Alcohol Service
- 1.3 Cabinet, 7 November 2012, Business Planning 2013/14 to 2015/16 (Decision 5) – agreed the savings and pressures included in Appendix 2, including a saving of £84,000 in relation to substance misuse services, as ‘budget headlines’ for consultation.
- 1.4 Cabinet, 25 February 2013 (Decision 5) – agreed the budget proposals, including a saving of £84,000 in relation to substance misuse services.

## **2. CORPORATE PRIORITIES AND POLICY CONSIDERATIONS**

- 2.1 Providing services to vulnerable children, young people and their families is a key priority across the council and its partners. The Corporate Plan 2012-13 includes the strategic objective of ‘safeguarding vulnerable children and adults’.
- 2.2 Extending this contract will enable the Children’s Service to continue supporting the priorities of the Children and Young People Plan 2012-13. In particular, the young persons’ drug and alcohol service supports the Children and Young People Plan priorities to ‘improve adolescent health’ and to ‘invest in early intervention to reduce the number of children and families experiencing complex problems’.

## **3. RISK MANAGEMENT ISSUES**

- 3.1 The current contract with Tavistock and Portman NHS Foundation Trust is due to come to an end on 31 March 2013. An inability to continue to provide drug and alcohol services to some of the borough’s most vulnerable young people would place them at risk. This could also place additional pressure on the Troubled Families team and partners, including police and health.
- 3.2 The reduction in local authority funding (see 3.4) is reflected in the extension. There remains a risk that funding shortfall may occur in 2013/2014 as the funding streams available for substance misuse services are changing nationally from 1 April 2013 and are not yet fully known (see section 5, finance). It is however considered likely that funding will be received.
- 3.3 The Council will continue to ensure that, during this interim period, Tavistock and Portman NHS Foundation Trust remains compliant with all relevant and appropriate standards in terms of their service, quality, policies and procedures.

#### 4. EQUALITIES AND DIVERSITY ISSUES

- 4.1 Under current Equalities legislation the Council and all other organisations exercising public functions on its behalf are required when doing so to have due regard to the need to i) eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited under the Equality Act 2010; ii) advance equality of opportunity between those with a protected characteristic and those without; iii) promote good relations between those with a protected characteristic and those without. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. It also covers marriage and civil partnership with regard to eliminating discrimination.
- 4.2 Tavistock and Portman NHS Foundation Trust is a provider of drug and alcohol services to young people and provides three key functions; a source of expertise to support universal and other targeted services working with children and young people; provision of targeted psychoeducational drug and alcohol programmes to young people at risk/vulnerable; and provision of structured specialist treatment for young people using substances.
- 4.3 Tavistock and Portman NHS Foundation Trust provides services to children and young people of all faiths and cultures, and are committed to ensuring that there is equality of service provision to all. The ongoing monitoring arrangements with this provider ensure that the service provision meets the diverse needs of Barnet's children and young people.

#### 5. USE OF RESOURCES IMPLICATIONS (Finance, Procurement, Performance & Value for Money, Staffing, IT, Property, Sustainability)

##### Finance

- 5.1 The contract that expires on 31 March 2013 is a 3 year contract. The value of this contract after efficiency reductions is £933,312. The contract is currently funded via three streams: Local Authority funding, Department of Health Pooled Treatment Budget and Youth Justice Board funding.
- 5.2 The funding streams available for substance misuse services are changing nationally from 1 April 2013. Public health funding (previously the Department of Health Pooled Treatment Budget) for substance misuse service in Barnet is in the process of being agreed, and a bid is being submitted to the Mayor's Office for Policing And Crime (MOPAC) funding, which replace the Youth Justice Board funding.
- 5.3 A breakdown of anticipated funding streams for 2013/14 is as follows:
- |                           |   |
|---------------------------|---|
| Public health funding -   | £133,531 anticipated (based on 2012/13) |
| Local authority funding - | £ 45,823 agreed                         |
| MOPAC funding -           | £ 40,079 anticipated (based on 2012/13) |
| <b>Total</b>              | <b>£219,433</b>                         |

- 5.4 As outlined in 1.4, a £84,000 reduction in local authority funding for substance misuse was agreed at Cabinet on 25 February. This is reflected in the local authority funding above.
- 5.5 For the period from 1 April 2013 to 1 July 2013 it is projected that the value of the contract extension will be up to £55,000. The total value of the contract including this extension is up to £988,312. This will be contained within existing agreed budgets for the Children's Service, with anticipated contributions from public health funding. A report will be taken to Cabinet Resources Committee on 18 April 2013 to report this extension.

#### Procurement

- 5.6 The initial contract was awarded on the basis of a competitive open procurement process. The extended three month contract if approved would be managed in accordance with the Council's Contract Procedure Rules.

#### Performance, Value for Money and Sustainability

- 5.7 For the duration of the contract extensions, Tavistock and Portman NHS Foundation Trust will be regularly monitored to ensure that they meet the specified outcomes and represent value for money.

#### Staffing, IT, Property

- 5.8 There are no staffing, IT or property implications in relation to this contract

## **6. LEGAL ISSUES**

- 6.1 Young People's Drug and Alcohol service fall within Part B of Schedule 3 of The Public Contracts Regulations 2006 (as amended) ("the Regulations"). These Regulations implement the, relevant, European Directive into domestic law.
- 6.2 As social care services fall within Part B, they are not subject to the full European procurement regime. Where the contract value is at, or above, the relevant EU threshold (£173,933), the council must comply with the relevant, less comprehensive, requirements of the Regulations.

## **7. CONSTITUTIONAL POWERS**

- 7.1 Constitution, Part 3, Responsibility for Functions, Section 6.1 -Powers Delegated to Officers - Chief Officers (i.e. the Chief Executive, Directors and Heads of Service as listed in Article 12) can take decisions without consultation with the Cabinet Member concerned where it is a decision authorised to be taken by the Chief Officer under the Contract Procedure Rules for approved schemes with sufficient estimate provision.
- 7.2 Constitution, Part 4, Contract Procedure Rules, Section 5.6 – Acceptance Parameters for Contract Additions, Extensions and Variations - The Acceptance thresholds for contract additions, extensions and variations are as set out in Table 5-2. Contract extensions and variations are, also, subject to the following:
- 5.6.1 In the case of an extension to a contract:
- 5.6.1.1 The initial contract was based on a competitive tender or quotations;

5.6.1.2 the initial contract has not been extended before; and  
5.6.1.3 the value of the extension is less than half the cost of the existing contract without the extension and has a budget allocation having had regard to the following:

- i. If initial contract was subject to EU tender procedure that the extension option was declared within the OJEU notice; acceptance report (Delegated Powers Report/Cabinet Resources Committee Report) and the contract includes extension clauses
- ii. If initial contract value was subject to sub EU threshold procedure (Barnet tender/ quotation process) the extension does not take the value past EU threshold.

7.2 Constitution, Part 4, Contract Procedure Rules, Section 5.6 (Table 5-2) sets out acceptance thresholds for contract extensions and variations. Directors/Assistant Directors can authorise contract extensions and variations up to £173,933 in value but must report afterwards to the relevant Cabinet Member.

7.4 The value of the contract extension with Tavistock and Portman NHS Foundation Trust is within the acceptance threshold for Directors/Assistant Directors.

## **8. BACKGROUND INFORMATION**

8.1 In 2010/11 the young people's drug and alcohol services contract was awarded to the Tavistock and Portman NHS Foundation Trust (T&PT). The purpose of the commissioning process was to improve the outcomes of children and young people within the service and to provide a comprehensive range of interventions to fully support vulnerable young people, in particular psychology, psychotherapy and substitute prescribing.

8.2 The contract was for a period of three years 2010/11 to 2012/13 for a combined value of £933,312, which included an efficiency saving of 5% over the three years. It was funded via three streams – Local Authority funding, Department of Health Pooled Treatment Budget and Youth Justice Board funding.

8.3 The funding streams available for substance misuse services are changing nationally from 1 April 2013. Public health funding (previously the Department of Health Pooled Treatment Budget) for substance misuse service in Barnet is in the process of being agreed, and a bid is being submitted for Mayor's Office for Policing And Crime (MOPAC) funding, which replace the Youth Justice Board funding. Whether Barnet is successful in securing MOPAC monies will be known in April 2013. Due to uncertainty around funding streams, it has not been possible to go out to tender sooner and so a three month contract extension is required from 1 April to 1 July 2013 to allow sufficient time for re-commissioning to take place.

## **9. LIST OF BACKGROUND PAPERS**

9.1 None

**10. OFFICER'S DECISION**

**10.1 I authorise the following action:**

**The extension of the current contract with Tavistock and Portman NHS Foundation Trust for the provision of substance misuse services for young people for the period 1 April 2013 to 1 July 2013 at a cost of up to £55,000.**

**Signed**

**Jay Mercer**

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**Deputy Director Children's Services**

**Date**

**13 March 2013**

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