



Mayor and Cabinet

Award of Contract Drug and Alcohol Services (Core Contract)

Date: 3rd November 2021

Key decision: Yes.

Class: Part 1

Ward(s) affected: All

Contributors: Executive Director of Corporate Resources and Substance Misuse Commissioning team

Timeline and Engagement

9 June 2021 – Mayor & Cabinet approval to procure suitable provider to deliver substance misuse services (based on lower budget)

10 June 2021 – Director of Corporate Resources approval to procure substance misuse services

3 November 2021 – Award of Contract

Outline and recommendations

The Mayor and Cabinet are recommended to appoint Change, Grow, Live to deliver the Core Contract Service for Adults with Alcohol and Substance Misuse. The contract will be for an initial period of 3 years, commencing on 1st April 2022, with an option to extend for a further 1 + 1 years. The annual contract value will be £2,281,700 up to a maximum contract value of £11,408,500 over a full 5 year period.

The existing 2021-22 contract value is £2,427,608. This contract is fully funded through the 2021/22 grant from Public Health England, the Mayor's Office for Police and Crime and the Ministry for Housing Communities and Local Government (MHCLG)

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1. Summary

- 1.1 The London Borough of Lewisham commissions a range of services to create a system to meet the treatment needs of those with drug and alcohol problems.
- 1.2 The treatment system provides medical treatment and rehabilitation programmes as well as intensive support services that promote recovery and encourage individuals to maintain their recovery through engagement in positive activities such as employment, training or volunteering. The system also delivers support through arrangements known as 'shared care' with GPs in the borough and work with community pharmacies on harm minimisation projects.
- 1.3 The system consists of four main contracted services:
 - Core contract
 - Community based / shared care service for people with drug and alcohol problems
 - Drug and alcohol treatment service for young people under 25
 - Detox and rehabilitation services
- 1.4 The core service delivers interventions for adults aged 18 years and over with complex needs including poly-drug use and dual diagnosis (with Mental Health conditions). It provides support, treatment and rehabilitation programmes that promote recovery and encourage individuals to maintain their recovery through engagement in positive activities such as employment and training. The service provides prescriptions for opioid substitute medications such as Methadone as well as managing the interface with health services including hospitals and pharmacies.
- 1.5 The current provider of this service is Change, Grow, Live (CGL), formerly known as CRI, who also deliver the Integrated Offender Management (IOM) service providing the interface with the Criminal Justice System.
- 1.7 The treatment system was reconfigured in 2015 and 2017, although the core contract remains in place since 2010.
- 1.8 The current core contract is due to expire on 31 March 2022 and therefore officers have undertaken a full review of the current system to develop proposals to better meet need.
- 1.9 This report summarises the work undertaken and makes recommendations regarding the procurement approach which consists of an open tender exercise leading to the award of a three-year contract with two one-year extension options
- 1.10 This approach is recommended in order to deliver best value and to provide stability within the treatment system. The nature of the contract will allow flexibility to respond to a changing policy landscape.

2. Recommendations

- 2.1 The Mayor and Cabinet are recommended to appoint Change, Grow, Live to deliver the Core Contract Service for Adults with Alcohol and Substance Misuse. The contract will be for an initial period of 3 years, commencing on 1st April 2022, with an option to extend for a further 1 + 1 years. The annual contract value will be £2,281,700 up to a maximum contract value of £11,408,500 over a full 5 year period.

The current 2021-22 contract value is £2,429,208. The contract cost is fully funded from a combination of main Public Health Grant, the Mayor's Office for Policing and

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Crime (MOPAC) grant via the London Crime Prevention Fund, Rough Sleeping Drug & Alcohol Treatment Grant via Public Health England and Section 31 Grant for additional drug treatment, crime and harm reduction activity via Public Health England. There is no contribution from the Council's General Fund budgets.

3. Policy Context

3.1 The procurement of this service meets the corporate strategy 2018-22 as follows:

- Priority 3, Giving children and young people the best start in life; the renewal of the contract will provide treatment and support to families where substance misuse has been identified as a concern regarding child protection and safe guarding.
- Priority 5, Delivering and defending: health care and support; the services within the contract will provide physical and mental health assessments on all service users and where appropriate refer to primary and secondary NHS services. There will be a strong emphasis on education, training and leisure activities to support the service users' self-improvement and assist with re- integration into the community.
- Priority 7, Building safer communities: safety, security and a visible presence; the renewal of this contract will support the work within the partnership to combat anti-social behaviour that is linked to alcohol and drug misuse.

3.2 London Borough of Lewisham has a statutory responsibility under the Crime and Disorder Act 1998 to work with partners to reduce crime, disorder and substance misuse.

3.3 The National Drug Strategy 2017 puts a key focus on recovery. Whilst recognising that recovering from dependent substance misuse is an individual person-centred journey, there are high aspirations for increasing recovery outcomes. Drug and alcohol recovery systems are increasingly being geared towards the achievement of the following outcomes:

- Freedom from dependence on drugs or alcohol
- Prevention of drug related deaths and blood borne viruses
- A reduction in crime and re-offending
- Sustained employment
- The ability to access and sustain suitable accommodation
- Improvement in mental and physical health and wellbeing
- Improved relationships with family members, partners and friends
- The capacity to be an effective and caring parent

3.4 The National Alcohol Strategy also sets a range of outcomes underpinned by the understanding the need to:

- Ensure everyone is aware of the risks of excessive alcohol consumption and can make informed choices about responsible drinking
- Recognise that some people will need support to change their behaviour and ensuring that this is available, particularly for the most vulnerable in our community.

3.5 The Strategy has identified reducing Alcohol Harm as one of nine priority areas for action over the next ten years highlighting identification of harm, reduction of hospital admissions and increased numbers of adults and young people accessing and

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completing services as areas where more work is required.

- 3.6 A strong evidence base exists for the range of interventions that are effective in substance misuse. Detailed statistical analysis estimates that, nationally, every pound invested in drug treatment saves four pounds in reduced demands on health and justice and society as a whole. When modelled specifically for Lewisham this increases to saving of £4 for every £1 spent with the accrued benefits over time being even higher than this.
- 3.7 The Core Contract also meets the Council's responsibilities to the Mayor's Office for Policing and Crime (MOPAC) which delivers the Mayor's role as the Police and Crime Commissioner for London. MOPAC are committed to delivering their Police and Crime Plan and have provided funding to local authorities to deliver specific local delivery projects of which the IOM service is one. The Council have committed to delivering this service, or similar, until the end of March 2022 with the expectation that funding will continue beyond this point.

4. Background

- 4.1 The Prevention, Inclusion & Public Health Commissioning Team commissions a range of services to meet the needs of those with a drug and/or alcohol problem and to reduce harm to society as a whole.
- 4.2 The majority of the treatment services provided in Lewisham are funded through the Public Health (PH) grant which contributes £3,412,000 to the overall treatment budget of £3,783,000 for 2021/22.
- 4.3 The remaining funding of £371,000 comes from the Mayor's Office for Police and Crime (MOPAC) –London Crime Prevention Fund and funds specific elements of the Change, Grow, Live (CGL) contract
- 4.4 As 3.7 above the core contract also meets the Council's responsibilities to the Mayor's Office for Policing and Crime (MOPAC) which delivers the Mayor's role as the Police and Crime Commissioner for London. MOPAC are committed to delivering their Police and Crime Plan and have provided funding to local authorities to deliver specific local delivery projects of which the Integrated Offender Management service is one. The Council have committed to delivering this service, or similar, until the end of March 2022 with the expectation that funding would continue beyond this point.
- 4.5 London Borough of Lewisham has a statutory responsibility under the Crime and Disorder Act 1998 to work with partners to reduce crime, disorder and substance misuse.
- 4.6 The Prevention, Inclusion and Public Health team works to align services with the ambition of Public Health England (PHE) to reduce health inequalities and the Government's Drug and Alcohol Strategies to increase the number of individuals recovering from addiction. The team works to reduce drug and alcohol related offending as it is well demonstrated that cessation of drug use reduces re-offending significantly. This in turn will have benefits to a range of wider services and will help reduce harm in local communities.

5. Procurement Arrangements

- 5.1 Full procurement arrangements are set out section five of the Part 2 report.

6. Synopsis of the bids received.

- 6.1 Full synopsis of the bids received are set out in section 6 of the Part 2 report.

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7. Financial implications

7.1 Full financial implications are set out in section seven of the part 2 report

8. Legal implications

8.1 The value of the individual contract across its term exceeds £500,000, which means that this is a Category A contract for the purposes of the Council's Contract Procedure Rules. The Contract falls under the Light Touch Regime under the Public Contract Regulations 2015 ("PCR 2015") being a Schedule 3 service: (health, social and related services or supply services of domestic help and nursing personnel).

8.2 It is mandatory for Schedule 3 contracts over the limits to be advertised on FTS and also advertised within 24 hours of FTS advertising on Contracts Finder, with an advertisement complying with requirements set out in PCR 2015. Award notices must also be published on FTS and Contracts Finder in the prescribed form.

8.3 Procedures for tendering are to be determined by contracting authorities in accordance with regulation 76 PCR 2015. These require procedures to be transparent and ensure equal treatment of suppliers. Time limits must also be reasonable and proportionate.

8.4 The rationale for the proposed award is set out in the bid analysis in the part 2 report. This decision is a Key Decision under Article 16.2 (b) and Article 16.2 (c) (xxiii) of the Constitution as it will have an impact on more than one ward and it has a value of more than £200,000. It is therefore required to be contained in the current Key Decision Plan.

8.6 The Equality Act 2010 (the Act) introduced a new public sector equality duty (the equality duty or the duty). It covers the following nine protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- The duty continues to be a "have regard duty", and the weight to be attached to it is a matter for the Mayor, bearing in mind the issues of relevance and proportionality.
- It is not an absolute requirement to eliminate unlawful discrimination, advance equality of opportunity or foster good relations.

8.7 The Equality and Human Rights Commission has recently issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled "Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice". The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <http://www.equalityhumanrights.com/legal-and->

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- 8.8 The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:
1. The essential guide to the public sector equality duty
 2. Meeting the equality duty in policy and decision-making
 3. Engagement and the equality duty
 4. Equality objectives and the equality duty
 5. Equality information and the equality duty
- 8.9 The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <http://www.equalityhumanrights.com/advice-and-guidance/public-sector-equality-duty/guidance-on-the-equality-duty/>

9. Equalities implications

- 9.1 The drug and alcohol contracts provide services for adults who are requiring drug and alcohol treatment both in the community and in residential settings. Each service is required to abide by equality legislation. The service specifications for the new services will incorporate the findings of the Joint strategic needs assessment and will focus on reducing barriers to treatment for all underrepresented groups in line with the Equality Act 2010, and have considered the potential impact on all of the nine protected characteristics.
- 9.2 The Council's Equalities objectives are addressed in the contract documentation and were part of the tender evaluation criteria.

10. Climate change and environmental implications

- 10.1 The Council's Environmental objectives are addressed in the contract documentation and are part of the tender evaluation criteria.
- 10.2 There are no environmental implications.

11. Crime and disorder implications

- 11.1 The Tier 2/3 Substance Misuse – Core Contract Service relates to the provision of specialist drug and alcohol treatment to Lewisham residents, which is a critical component of Lewisham's substance misuse Adult Treatment Plan and therefore make an important contribution to the work of the Safer Lewisham Partnership and link in directly with the Safer, Stronger Communities outcome to 'minimise harm caused by illegal drugs.

12. Health and wellbeing implications

- 12.1 The contract/services identified in this report, are required to ensure that continuity of care and support is in place for the service users accessing these services. If this contract is not commissioned, there is a risk of the Local Authority not fulfilling its statutory duties under the Care Act, the core contract contributes the decrease in the

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number of patients with complex needs attending A&E, Primary and Secondary health services, the risk of neglect through lack of support and a reputational risk to the Council.

13. Social Value

- 13.1 The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the wellbeing of the local area can be secured.
- 13.2 Bidders were therefore asked to submit a method statement that has a weighted score of 10% Bidders needed to demonstrate how the service will contribute to the key social value outcomes, including how the organisation works with local employers and training organisations to remove stigma and barriers to support individuals in returning to employment, training and/or education
- 13.3 Making Lewisham healthier – Lewisham has identified 9 long term outcomes as part of its 2013 strategy and its intended that this contract will actively contribute to reducing the harm caused by substance misuse specifically alcohol, improving mental health and wellbeing, delaying and reducing the need for long term care and support, and reducing the number of emergency admissions for people with long term conditions.
- 13.4 A potential direct consequence of difficulties in access to or availability of Tier 3 treatment interventions could result in an increase in crime and acute admissions to hospitals with a potential negative impact on CCG budgets as a result.
- 13.5 Employment, Skills & Economy – Achieving stability in treatment and sustained recovery brings economic benefits to the borough through enabling drug and alcohol using residents to find work, access training and achieve their goals as well as contributing to the local economy. It also brings positive economic benefits for the council in reducing ongoing need and financial costs for public health funded services and ASC by enabling residents to live independent lives with improved health and wellbeing.
- 13.6 The evaluation of the bids has ensured that suppliers have a good track record in delivering services to a diverse group of service users. It has also assessed the quality of clinical governance and safeguarding policies and protocols, thus providing assurance that residents will be offered safe, clinically robust care and be safeguarded at all times.
- 13.7 The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that, where appropriate, contractors and subcontractors engaged by the council to provide works or services within Lewisham pay their staff at a minimum rate equivalent to the LLW rate. Successful contractors will be expected to meet LLW requirements and contract conditions requiring the payment of LLW will be included in the tender documents.
- 13.8 The incorporation of Social Value into Lewisham contracts will significantly help the Council to deliver on its strategic corporate and Mayoral priorities and deliver added value for the borough as a whole.
- 13.9 Once contracts have been awarded the Social value delivery and monitoring be formally reported on the KPI Performance report.

14. Background papers

- 14.1 Permission to Procure Report for Mayor and Cabinet - Substance Misuse (09062021)

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15. Glossary



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16. Report author and contact

16.1 Danny Waites - Commissioning Manager (Addictions)

Jason Browne – Commissioning Officer (Addictions)

Prevention, Inclusion & Public Health Commissioning Team

16.2 Danny.waites@lewisham.gov.uk 020 8314 8015

Jason.Browne@lewisham.gov.uk 020 8314 3263

16.3 **Comments for and on behalf of the Executive Director for Corporate Resources**

16.4 Yusuf Shaibu

16.5 **Comments for and on behalf of the Director of Law, Governance and HR**

16.6 Stephanie Fleck (Ref JW)

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