

**HEALTH AND WELLBEING BOARD and ICB SUB-COMMITTEE
(Committees in Common)**

12 March 2024

Title: Contract Variation Young People Substance Misuse (Drug and Alcohol) Integrated Service	
Report of Councillor Maureen Worby, Cabinet Member for Adult Social Care and Health Integration	
Open Report / Open Report with Exempt Appendix / Fully Exempt Report Open Report	For Decision Yes
Wards Affected: All	Key Decision: No
Report Author: Amolak Tatter, Commissioning Manager	Contact Details: Tel: 0797 200 3623 E-mail: Amolak.tatter@lbbd.gov.uk
Accountable Director: Chris Bush, Commissioning Director for Children's Care and Support	
Accountable Executive Team Director: Elaine Allegretti, Director of People and Resilience	
<p>Summary</p> <p>To approve the variation of the contract for the provision of Subwize Service (“the service”) with V-I-A formally known as WDP to extend it for a period of 5-months from 1 April 2024 to 31 August 2024 in accordance with the Council’s Contract Rules. The current contract is due to end 31 March 2023.</p> <p>It was intended that new contracts would start on 1 April 2024, however delays in the current procurement exercise means that a variation of the current contract with the provider of the service is required to ensure continuity of services and sufficient time for the completion of the procurement exercise and a new service to mobilise and in place to start 1 September 2024.</p> <p>It should be noted that the service provides critical specialist interventions to young people with substance misuse problems which prevents addiction, significant harm to development and escalation in criminal activities due to drug misuse. No alternative service exists that can provide a suitable replacement for the work of a community substance misuse service for young people in borough. The service was granted a retrospective waiver for 2023/24.</p> <p>The current value of the contract for 1 April – 31st August 2024 <i>pro rata</i> of the total budget 2024/25 given below:</p> <ul style="list-style-type: none"> • Core funding £138,660.00 • SSMTR Grant £ 87,245.00 Total £225,905.00 	

Recommendation(s)

The Health and Wellbeing Board is recommended to:

- (i) Approve the variation of the contract for the provision of Young People Substance Misuse Service (“the service”) with V-I-A for a period of 5-months from 1 April 2024 to 31st August 2024 in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Director of Director of People and Resilience, in consultation with the Cabinet Member for Adult Social Care and Health Integration and Director of Public Health to extend the contract and all other necessary or ancillary agreements.

Reason(s)

To allow continuity of services during a delayed procurement exercise, to provide sufficient time for the completion of the procurement exercise and a new service mobilised and put in place for 1 September 2024

1. Introduction and Background

- 1.1 LBB has commissioned an Integrated open access and specialist services that enable young people who misuse drug and/or alcohol to access treatment and work towards recovery. The current contract is providing a Trauma Informed Approach, structured drug and alcohol programmes, counselling, and Hidden Harm. If a young person is identified as using opioids, the Subwise Service will work in collaboration with the adult substance misuse service to ensure the young person is provided with the appropriate medical treatment.
- 1.2 Young people who have been identified by the Youth Offending Services (YOS) using substances and committing criminal offences, a referral is made to the substance misuse worker who is based within the YOS. This has enabled both the YOS and the substance misuse worker to work collaboratively, sharing information, ensuring that the young person is receiving a robust case management plan.
- 1.3 The service has built a robust relationship with CAMHS (Child and Adolescent Mental Health Services) and are working in collaboration to provide an extensive range of integrated community and mental health support and treatment to young people who are identified with dual diagnosis.
- 1.4 Barking and Dagenham received additional funding from the Government through the Office for Health Improvement and Disparities (OHID), initial funding came through the Universal Grant £384,000 which has been proportioned between the young people and the adult service enabling both services to set up a Complex Criminal Justice Team (CCJT). The CCJT engages with both young people and adult service users who are using substances and in the criminal justice system and has been highlighted as an example of good practice.
- 1.5 The service was awarded a three-year contract in April 2018 with an option to extend for a further 2 years on an annual basis which was undertaken. However, due to external uncertainties around funding a retrospective waiver was sought for an additional year (2023/2024).

- 1.6 Specifically, OHID had indicated that it was going to undertake a national Substance Misuse Direct Purchasing System from which Local Authorities could undertake 'mini re procurements or direct award. However, OHID did not deliver this procurement at the scale and pace indicated which led to considerable uncertainty. Alongside other local authorities, Barking and Dagenham was forced to go out to full procurement later than anticipated.
- 1.7 The procurement exercise has commenced, however the initial budgets given for the exercise were an overestimation which is likely to have a material impact on the ability of the successful bidders to undertake the services described in their bids.
- 1.8 The budgets have been revised and corrected and together with the request to vary the supplier's contract the proposed next steps are:
- Pause the procurement exercise to allow all bidders to revise their quality submissions and pricing in the light of new contract values.
 - For the revised tender submissions to be evaluated and successful bidders selected based on revised submissions
 - Vary the respective current adult and young people contracts for up to 6 months to allow the completion of the tender exercise and mobilisation of the new contract.

2. Proposed Procurement Strategy

2.1 Outline specification of the works, goods or services being procured.

2.1.1 Integrated substance misuse service (drug and alcohol service)

Core elements of the service delivered are:

2.1.2 The Community Integrated Substance Misuse Service is for Barking & Dagenham young people under the of 21 and where applicable the transitional age group 21-24 experiencing problems with drugs and/or alcohol, family members, and other professionals working with residents with substance misuse addiction. The service will continue to work within a results-based accountability model that will have an integrated approach with staff working within the Children, Young People and Families, Anti-Social Behaviour (ASB), Youth Offending Service (YOS), Child and Adolescent Mental Health Services (CAMHS), this is not an exhausted list.

2.1.3 The service will continue to provide:

- Supporting vulnerable young people to maintain abstinence.
- Encouraging ambition and aspiration and enable them to be realised through recovery plan goals.
- Enabling and encouraging young people who misuse substances to remain in/or re-engage with education, training, and employment.
- Help and support young people with substances to manage their behaviours and emotions appropriately, and to challenge inappropriate or damaging behavior and attitudes.

- Identifying young people 'At-Risk' of abuse or harm and working with them and other agencies to manage situations with a high standard of practice.
- Providing a unitary service with no clinical/talking therapy split.
- Promoting physical, mental, and sexual health on an individual and service wide level.
- Developing effective and meaningful user participation that achieves evidenced results for the service and the individuals involved.
- Working with young people to build, or rebuild, safe and positive social relationships and networks, particularly with their families.

2.2 **Estimated Contract Value, including the value of any uplift or extension period.**

2.2.1 The total value of the contract for 1 April – 31 August 2024 pro rata of the total budget 2024/25 is £225,905 broken down as below:

- Core funding £138,660.00
- SSMTR Grant £ 87,245.00

2.3 **Duration of the contract, including any options for extension.**

2.3.1 Five-months from 1 April 2024 to 31 August 2024, (this includes a 2-month period for mobilisation of the new service).

2.4 **Is the contract subject to (a) the Public Contracts Regulations 2015 or (b) Concession Contracts Regulations 2016? If Yes to (a) and contract is for services, are the services for social, health, education or other services subject to the Light Touch Regime?**

2.4.1 Yes, subject to the Light Touch Regime

2.5 **Recommended procurement procedure and reasons for the recommendation**

2.5.1 To (approve the variation of the contract for the provision of Young People Substance Misuse Service ("the service") with V-I-A for a period of 5-months from 1 April 2024 to 31 August 2024 in accordance with the strategy set out in the report; in order to maintain service continuity in the context of a delayed procurement.

2.5.2 The variation of contract providing an extension will allow a critical service to continue working with and providing support to vulnerable young people identified as using drugs and alcohol whilst the delayed procurement resumes and finishes allowing a sufficient time to mobilise a new service.

2.5.3 Mobilisation of a new service is complex as a range data and clinical information will need to be transferred if a new supplier is successful at tender. Data transfer also involves national agencies as data for a national a national database is collected.

2.6 The contract delivery methodology and documentation to be adopted.

2.6.1 The contract document will be a Deed of Variation prepared by the legal team to vary the termination date of the contract.

2.7 Outcomes, savings and efficiencies expected as a consequence of awarding the proposed contract.

2.7.1 To provide advice, information, and treatment for those young people, who reside in the borough, aged up to 21, including transition age up 24-years who are affected by substance misuse (drug and/or alcohol) to help them grow and develop as an individual and reach their full potential in society:

- To work with young people with drug and alcohol problems to build, or rebuild, safe and positive social relationships and networks, particularly with their families.
- Enhance the engagement of young people who are in the criminal justice system, such as the Youth Offending Service, including the transitional age group.
- To provide high quality, harm reduction interventions that are flexible to meet the changing demographics of the borough.
- The service will continue to deliver to reduce the long-term demand on services by focusing on prevention and early and effective interventions to prevent escalation and crisis.
- To support and deliver workshops to both the students and teaching staff in schools and colleges.
- To work in partnership with the Local Authority, Health, Criminal Justice and other key stakeholders
- To work and support Children Social Care teams and provide Hidden Harm work.

2.8 Criteria against which the tenderers are to be selected and contract is to be awarded – N/A

2.9 How the procurement will address and implement the Council's Social Value policy.

2.9.1 The Council's social value responsibilities are taken through its vision: One Borough; One Community; No one Left Behind. Through the variation of the contracts, the Council will ensure service continuity that meets the needs of the local population who misuse drug and alcohol and their families.

2.9.2 The Council will work with the provider to seek to identify local opportunities for apprenticeships, training and recruitment for Barking and Dagenham residents as appropriate in the time frame of the waiver.

2.10 **London Living Wage (LLW)**

2.10.1 The requirement of LLW will continue to be met by the supplier.

2.11 **How the Procurement will impact/support the Net Zero Carbon Target and Sustainability**

2.11.1 The supplier will continue to provide a review and delivery plan of how they will support Barking and Dagenham's Net Zero Carbon Target.

3. **Options Appraisal**

3.1 Council needs to commission and have in place services for young people who misuse drugs or alcohol. Having no service in place is likely to lead to the deterioration in individuals' health and circumstances and for some may result in death. This could also lead to an increase in health and social care costs and an increase in crime. Reduction or cessation of these services would affect the performance against substance misuse Public Health Outcomes Framework (PHOF) indicator.

4. **Waiver**

4.1 To waive the requirement to tender and approve the variation of the contract for the provision of Young People Substance Misuse Service ("the service") with V-I-A for a period of 5-months from 1 April 2024 to 31 August 2024 in accordance with the strategy set out in the report in order to maintain service continuity in the context of a delayed procurement.

4.2 The ground upon which this waiver is required is Contract Rule 6.6. (e) The circumstances of the proposed contract are covered by legislative exemptions.

5. **Consultation**

5.1 N/A

6. **Corporate Procurement**

Implications completed by: Adebimpe Winjobi, Procurement Lead

6.1. This report is seeking approval to waive the requirement to tender and approve the variation of the contract for the provision of Young People Substance Misuse Service ("the service") with V-I-A for a period of 5-months from 1 April 2024 to 31 August 2024 in order to maintain service provision while the procurement of a new contract is completed.

6.2. The contract variation for this contract is based on Reg 72(c) of PCR 2015 and the Council can justify its use, as the need arises from circumstances which a 'diligent contracting authority could not have foreseen- in this case a delay to the procurement of a new service, the overall nature of the contract is not altered and the increase in price is less than or equal to 50% of the contract value.

6.3. The team will continue to support with the procurement of the new contract.

7. Financial Implications

Implications completed by Amar Barot - Head of Service Finance.

- 7.1 This report seeks the Health and Wellbeing Board's approval for the variation of the contract for the provision of Young People Substance Misuse Service with V-I-A for a period of 5-months from 1 April 2024 to 31 August 2024.
- 7.2 The contract variation is required to ensure continuity of services during a delayed procurement exercise, and to provide sufficient time for the completion of the procurement exercise.
- 7.3 The cost of the variation will be £225,905, which will be funded from Public Health grant and OHID supplemental grant respectively as set out in paragraph 2.2.1 of this report.
- 7.4 This cost is a marginal increase from the previous contract value as additional supplemental grant has been used to expand and enhance the service. The commissioner has worked with the current provider to ensure that the service continues to meet the needs of users and offers value for money.

8. Legal Implications

Implications completed by: Lauren van Arendonk, Acting Principal Contracts & Procurement Lawyer (Foreign Qualified)

- 8.1 This report seeks a 5-month extension for the current substance misuse support services contract, initially procured in 2018. Due to delays in the procurement of the service (not entirely due to the fault of the Authority), the new contract is now due to commence 1 September 2024, requiring interim cover for the period from 1 April 2024 to 31 August 2024.
- 8.2 Regulation 72 of the Public Contract Regulations 2015 permits a modification of a contract in term, in circumstances where the scope, price or the overall nature of the contract is not altered, and the price not increased to more than 50% of the original contract value. In this case, the original contract commenced in 2018 and ended in 2022 (including pre-determined extension periods). On this basis, the extension remains within the 50% threshold and is permissible. The Contract Rules also permits a variation to the term and price, provided that the 50% threshold is not exceeded.
- 8.3 The extension should be documented by way of a deed of variation and extension, which will also require sealing. Legal can assist with both upon instruction.

9. Other Implications

9.1 Risk and Risk Management

- 9.2 **TUPE, other staffing and trade union implications – N/A**
- 9.3 **Corporate Policy and Equality Impact –** Substance misuse is linked with a range of health inequalities including poor physical and mental health, hidden harm, family breakdown and involvement in the criminal justice system will ensure that services for people who misuse alcohol and/ or drugs remain available and are accessible to service users across the gender, ethnicity, age, faith, disability, sexuality, and all protected characteristics under the Equality Act 2010. (An EIA is attached in the document as an appendix at the end of this document.)
- 9.4 **Safeguarding Adults and Children –** Substance misuse places vulnerable adults and children at risk. Substance misuse presents a range of behaviours that pose a risk to the individuals themselves and others around them and can amplify a range of safeguarding concerns, including domestic abuse and hidden harm. The borough's systems for reporting and investigating both adult and child safeguarding concerns have established links to drug and alcohol services, and the borough recognises the need for commissioning interventions to continue to foster these links and provide training for those involved in safeguarding. All agencies commissioned to work with adults and young people are aware of LBBD safeguarding procedures and must adhere to incident reporting as part of their contractual obligations.
- 9.5 **Health Issues –** The proposal is in line with the outcomes and priorities of the joint Health and Wellbeing Strategy. The award of the contract should further enhance the quality of and access to substance misuse services in the borough for adults and young people. The proposal will have a positive effect on our local community by improved services with greater accessibility and cultural competence thus helping to reduce health inequalities.
- 9.6 **Crime and Disorder Issues –** Substance misuse impacts on many areas of crime and disorder including anti-social behaviour and offending behaviour. By commissioning services that prevent people from using substances and supporting those that are using in a problematic way will support the Partnership in reducing offending behaviour. Those individuals that are drug tested positive for Class A drugs in police custody will be compelled to engage in drug treatment.
- 9.7 **Property / Asset Issues -** The proposal will have a neutral impact upon the property or assets.
- 9.8 **Business Continuity / Disaster Recovery –** The proposal will have a neutral impact on business Continuity/Disaster Recovery. However, in relation to service continuity the incoming providers will be expected to provide a business continuity plan within one month of mobilisation.

Public Background Papers Used in the Preparation of the Report:

- Drug Market Profile Report 2019/20
- Governments 10-years drug strategy December 2021
- Need Assessment December 2022
- Cultural Competence Review May 2023

List of appendices:

Appendix 1 Substance Misuse Equalities Impact Assessment (Young People)



Appendix 4 EIA YP
Substance Misuse Pi