

London Borough of Hammersmith & Fulham

CABINET

1 APRIL 2019



DRUG AND ALCOHOL WELLBEING SERVICE CONTRACT EXTENSION AND VARIATION; AND THE ALCOHOL SERVICE CONTRACT EXTENSION

Report of the Cabinet Member for Health and Adult Social Care – Councillor Ben Coleman

Open Report with Exempt Appendix

Appendix A to this report is exempt from disclosure on the grounds that it contains information relating to the financial or business affairs of a particular person (including the authority holding that information) under paragraph 3 of Schedule 12A of the Local Government Act 1972, and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Classification - For Decision

Key Decision: Yes

Consultation

Key Stakeholders and Cabinet Member.

Wards Affected:

ALL

Accountable Director:

Lisa Redfern - Strategic Director of Social Care

Report Author:

Julia Woodman
Strategy, Partnership and Organisational
Development Officer
Nicola Ashton
Strategic Commissioner
Public Services Reform

Contact Details:

Tel: 0208 753 5809
Email julia.woodman@lbhf.gov.uk
E-mail: nicola.ashton@lbhf.gov.uk
Tel: 020 8753 5359

1. EXECUTIVE SUMMARY

- 1.1. Hammersmith and Fulham council has been commissioning drug and alcohol services since 2013 from public health budgets since public health services moved from the NHS to local authorities. The services are well embedded in a wider network of service provision with longstanding collaborative and integrated relationships.

- 1.2. There is a significant and growing body of evidence showing that investing in the prevention and treatment of drug and alcohol misuse improves social, physical, human and recovery capital. As individuals recover from their addiction or problem use, they increase their ability to access education, training, and employment, sustain appropriate housing, commit fewer crimes (for those who are offending) and improve relationships often reconnecting with their families and gain positive social networks. The impact of not investing in this will result in a negative impact on individuals, families and the community increasing costs to health and social care systems, criminal justice systems and increases demands on the welfare benefits system.
- 1.3. Savings associated with the contract variation are detailed in section 3.5.

2. RECOMMENDATIONS

- 2.1. That Cabinet approves the award of an extension of the contract for the Substance Misuse Treatment Service for a further two years from 1 April 2019 to 31 March 2021 at the contract price set out in exempt appendix A.
- 2.2. That Cabinet approves a contract variation to the Substance Misuse Treatment Service contract for a period of two (2) years from 1st April 2019 to 31st April 2021 at the contract price set out in the exempt appendix A.
- 2.3. That Cabinet approves an extension of the contract for the Alcohol Specific Treatment Service for a further two years from 1 April 2019 to 31 March 2021 at the contract price set out in the exempt appendix A. The current provider is Change, Grow, Live or CGL (previously named CRI at contract award).

3. BACKGROUND

Contract extensions for the core drug and alcohol services

- 3.1. In 2015 a re-procurement of core drug and core alcohol services was agreed. Redesign was necessary to meet the changing needs of drug and alcohol users and simplify delivery arrangements. The redesign services focused on:
 - managing a wider range of substances such as new psychoactive substances ('Legal highs', 'designer drugs')
 - developing an asset-based community development model and increasing satellite and outreach working, increasing the focus on employability
 - responding to the needs of families through early identification and prevention work prior to reaching crisis. A focus on hidden harm and prevention work with provision of bespoke training.
 - working with violent perpetrators and working with local criminal justice agencies, sharing intelligence, and supporting the case management of offenders on integrated offender management programmes.
- 3.2. On 2 March 2015 an approval to proceed report was agreed by Cabinet with a recommendation of delegated authority to the Cabinet Member to award the contract. The report sought approval for contracts valued at more than the Cabinet Member's delegated authority, hence the request for a Leader's Urgent Decision.

- 3.3. On 22 December 2015 the Leader, via an urgent decision, approved three-year contracts for the Substance Misuse Treatment Service and the Alcohol Specific Treatment Service, in two lots with options to extend for a further two years. The contracts commenced on 1 April 2016 and will expire on 31 March 2019.
- 3.4. The rationale for requesting the extension is that the services are performing well against contract requirements and delivering good value for money significantly improving outcomes for both services over the last two years and therefore a full recommission is not required at this point.
- 3.5. The contract price for the extension period is included in the original contract, with savings made on the previous contracts of £187,972, and therefore has not been renegotiated again for the extensions. Drug and alcohol support spans prevention from low level time-limited, psycho-social interventions to medically supervised treatment. Longer term savings on this budget and value for money analysis will be made in future re-procurement and design, saved by fewer residents seeking costlier medically supervised treatment and further development of more community and individual asset-based interventions. Maintaining funding was essential to remodel services and support the culture change.
- 3.6. Commissioners work with the providers to improve outcomes set against the Public Health Outcomes framework and both DAWS and TAS have significantly driven improvements in H&F since being awarded the contract, highlighted by the numbers in treatment and leaving treatment successfully with the rate of completion for opiate users almost doubling since 17/18.
- 3.7. Commissioners will work with Property Services to ensure Turning Point's lease on 370 Uxbridge Road is co-terminus with the contract extension.

DAWS Contract variation to include the Groupwork Programme and Primary Care Support

- 3.8. The Primary Care Support Service (provided by Blenheim) and the Groupwork Programme (provided by Turning Point) contracts ended on 31 March 2018. A proposal to absorb these into the DAWS contract for service continuity and to deliver savings on these contracts was not progressed at that time. Interim arrangements were made with Turning Point and Westminster and RBKC commissioners for 2018/19 in order that service users were not disadvantaged from the immediate effect of a loss of the two services and continuity of treatment could continue.
- 3.9. Groupwork Programme provided support to service users within the drug and alcohol system who want structured community-based group support to reduce their substance use, reduce prescribed medication, work towards detoxification / residential rehabilitation, and have support to maintain abstinence.
- 3.10. The Groupwork programme delivered four types of programmes;
 - Engagement
 - Preparation and stabilisation; with targeted alcohol and women's groups
 - Action
 - Relapse Prevention-Treatment with recovery academy.

- 3.11. Primary Care services support residents who are prescribed medication by their GPs by offering psychosocial support. As documented in the NICE Guidelines (2017) 'Drug Misuse and Dependence: UK Guidelines on Clinical Management' addressing substance misuse within primary care is integral to the effectiveness of drug treatment. A substantial number of opiate using patients are seen in primary care services. The provision of primary care support is to enable access to recovery opportunities including education and employment.
- 3.12. The variation will vary the services for the extension period. The variation will be funded from the Public Health grant and has been included in the Public Health Budget for 2019/20.

4. REASONS FOR DECISION

Contract Extensions

- 4.1. The recommendation to extend the DAWS and TAS contracts for a further two years for the following reasons:
- time constraints preclude the re-commissioning of the full system by April 2019. Two years would allow for review, consultation, value for money analysis, re-procurement and mobilisation. (an indicative timetable of actions during the extension period is highlighted in paragraph 6.4)
 - to enable an extensive consultation period prior to the development of any new service delivery models
 - to enable the procurement of a fully co-produced model that is specific to the needs of service users in Hammersmith and Fulham.
 - the current providers are successfully delivering on outcomes.
 - Feedback from a review of the service provided good feedback on the service from partners via interviews and questionnaires.
- 4.2. The monitoring evidence for TAS is showing that outcomes are currently good and are improving. TAS has extended its reach geographically with more community delivery locations secured, extending service hours across evenings to enable more service users to access provision, and continuous service promotion, by being highly visible at local community events, strengthening working arrangements with key partners, and delivering training to local health and social care colleagues. In terms of access into the service, there is better engagement with primary care colleagues, with GPs now referring into the service in greater numbers than before.
- 4.3. Specifically, there has been:
- an increase in referrals of problematic drinkers
 - an increase in GP satellite sites
 - an increase in referrals to other services / partnerships
 - an enhanced service to special populations and priority groups including, BME groups, families and carers, women, young and older people.
- 4.4. The monitoring evidence for DAWS is showing a service that is performing within the top quartile (London-wide) for its opiate services. This is exceptional given that the

service was in the bottom quartile two years ago before the contract award and re-modelling of services. For non-opiate and alcohol-related services Hammersmith and Fulham is in the second quartile. (London-wide)

4.5. Key successes of DAWS to note are:

- The CQC this year observing the following areas of 'Outstanding Practice':
- The Roads to Wellbeing Asset Map
- The outstanding level of partnership working with other agencies
- The Peer Mentor Scheme.
- 263 residents successfully supported to complete their recovery and to reintegrate into the local community.
- 70 residents supported into paid employment and 43 gained qualifications.

5. CONTRACT VARIATION

5.1. Not varying the DAWS contract will lead to either no provision for Primary Care Support and Groupwork or a restructure of the current services to provide minimal cover in these areas. This will then affect the overall service and reductions in service will need to be made in other parts of the system.

5.2. Varying contract to contain provision for groupwork and primary care support will give a more integrated service offer to vulnerable adults in the borough.

5.3. Varying the contract in line with the two-year contract extension will ensure that there is time within the next two years to fully remodel services in Hammersmith and Fulham (H&F).

5.4. The design and delivery of the model will be fully co-produced with service users.

5.5. For the benefit of service users, Groupwork and Primary Care support has continued this year with residents seeing no change in the offer from services. Hammersmith and Fulham must decide on the variation as Westminster and RBKC are currently funding groupwork and primary care treatment allowing H&F residents to continue to attend services at expense to their budgets.

5.6. The identified benefits of Groupwork are as follows:

- reduces duplication and provides improved quality of provision leading to increased positive outcomes for individuals
- reduces the need for spot purchased day programmes which add costs to community-based systems
- affords the opportunity to commission the kind of services that our local population need and to properly monitor effectiveness of the groups in terms of specific outcomes
- ensures that the resources respond to the emerging needs more effectively than if tied into broader contracting arrangements within a modular based framework of groups

5.7. The identified benefits of Primary Care Support are:

- it is effective in reducing physical, psychological and harm for both the patient and community
- evidence shows that reduction in the reduction of opioid use is more effective if treatment medications are used in conjunction with psychosocial interventions. Working within a local support structure for primary care is key from a clinical and non-clinical perspective.

6. PROPOSAL AND ISSUES

Contract Extensions

6.1. DAWS priorities during the proposed contract extension will be:

- increasing referral rates
- working towards achievement of top quartile performance for non-opiate and alcohol services
- providing more services from community locations especially for prescribed residents
- to further expand outreach work and integration into homelessness, mental health, primary care, and other key pathways
- focus on children and families work with specific attention on hidden harm

6.2. TAS priorities during the proposed contract extension will be:

- continued focus on community engagement, promotion, and development of satellite provision to meet the challenge of increasing numbers into treatment
- enhancing social media presence with the aim of raising awareness and increasing self-referrals
- increasing the rate of conversion from the initial referral into service, assessment phase, onto engagement/participation with individual treatment plans
- working with Advance to enhance the work around domestic violence
- a focus on children and families work with specific attention on hidden harm

6.3. The indicative timetable of actions in relation to the re-procurement of the services during the extension period are detailed in Table 1 of this report.

Table 1

Actions	Date(s)
Review of current service(s)	April – September 2019
Consultation	January – March 2020
Scope services and draft specifications	April 2020
Cabinet approval of Strategy (if required)	April – June 2020
Re-procurement and award approval by Cabinet Member	June – December 2020
Mobilisation	January – March 2021

Contract Variation

- 6.4. DAWS remains a service for the three boroughs with separate contracts but one management structure across the three boroughs.
- 6.5. In February 2018 the variation for the Westminster and RBKC contracts was agreed, ensuring that primary care support and groupwork would continue in the two boroughs.
- 6.6. To ensure vulnerable H&F residents engaged in groupwork and primary care continued to receive a service, the Head of Public Health Commissioning agreed to retain the obligation to continue offering a service to residents from the funding allocated to DAWS from the two boroughs within their variation.
- 6.7. This was agreed in order not to destabilise the core service and as an act of good faith while H&F transitioned back to sovereign services and made plans for future commissioning.
- 6.8. A small-scale restructure in H&F from the DAWS contract was also completed but this is not sufficient to support the levels of activity in H&F. Effectively, the two boroughs have been subsidising the H&F service and this cannot continue. The interim arrangements have ensured that residents who were receiving these services saw no change in 2018/19 as they had not been consulted or informed of the potential changes

Groupwork

- 6.9. In 2017-18 126 H&F residents attended Group Work programmes in the borough with 90 residents successfully completing. Group work is an essential part of substance misuse treatment

Primary Care

- 6.10. As of October 2018, H&F GPs had 133 residents being treated for drug dependency. This is an overwhelmingly high complex client group who have been in treatment for years with multiple comorbidities. It is also an aging cohort- the median age being 56 with 36 patients over the age of 60. Psychosocial support is crucial for treatment as per NICE Guidelines on UK Drug Misuse and Dependence: Guidelines on Clinical management.

7. OPTIONS AND ANALYSIS OF OPTIONS

- 7.1. The options are as follows:
 - Do not renew the existing contracts for DAWS AND TAS
 - Extend the DAWS and TAS contracts for two years - **recommended option**
 - Vary Substance Misuse Treatment Service contract to incorporate elements of Groupwork and Primary Care support - **recommended option**
 - No contract variation with no restructure of core services

- No contract variation with restructure of DAWS

7.2. The analysis of the options is attached as open appendix 1.

8. CONSULTATION

8.1. Consultation with external providers took place and are detailed in the Leader's Urgent Decision Report approved by the Leader on 22 December 2015.

8.2. Regarding this report, consultation has taken place with Turning Point the provider of the DAWS service, Head of Public Health Commissioning, and the Chief Executive and Cabinet member have been briefed on the issues and background leading to this report.

9. EQUALITY IMPLICATIONS

9.1. The variation of the Substance Misuse Treatment Service contract has no negative equality implications for protected groups under the Equalities Act 2010. A full Equality Impact Assessment can be provided if required.

9.2. Implications completed by Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.

10. LEGAL IMPLICATIONS

10.1. Both contracts have extension provisions incorporated allowing the Council to extend the contract period by up to 24 months. These extensions are in line with the contractual provisions in the contract. The contract also includes prices for the extension period and provides that the specification will apply throughout the extension period.

10.2. The modification of the Substance Misuse Contract is not considered substantial and is therefore permitted under Regulation 72 (1) (e) and (f) of the Public Contracts Regulations. This is on the basis that: (a) the modification does not render the contract materially different in character from the one initially concluded; (b) the modification is unlikely to have changed the original bid pool as the service is such a small element of the overall service required; (c) the value of the modification represents approximately three per cent increase in the value of the original contract and is not considered to change the economic balance of the contract; (d) the modification does not extend the scope of the services considerably.

10.3. The Contract contains variation provisions which set out the mechanism for varying the contract and provided the recommendations in this report are approved a deed of variation will be drafted to bring the changes into effect,

10.4. Implications verified/completed by: Sally Stock, Partner, Sharpe Pritchard LLP, external legal advisers seconded to the Council, tel. 020 7405 4600.

11. FINANCIAL IMPLICATIONS

11.1. The finance implications are contained within exempt appendix A.

- 11.2. Financial implications completed by Danielle Wragg, Finance Business Partner, tel. 0208 753 4287.
- 11.3. Financial implications verified by Emily Hill, Assistant Director, Corporate Finance, tel. 020 8753 3145.

12. IMPLICATIONS FOR LOCAL BUSINESS

- 12.1. In relation to implications for local businesses, there does not seem to be any direct impact. However, this proposal will have a positive impact on the wider community (including local businesses) by providing support and positive progression for individuals with substance and alcohol issues.
- 12.2. Implications verified/completed by: Alben Karameros, Economic Development Team, tel. 020 7938 8583.

13. COMMERCIAL IMPLICATIONS

- 13.1. The commercial implications are contained within exempt appendix A.
- 13.2. Procurement Implications completed by Tim Lothian, Procurement Officer, tel. 020 8753 5377
- 13.3. Implications verified Joanna Angelides, tel. 0208 753 2586 on Behalf of Simon Davis, Assistant Director Commercial Management.

14. IT IMPLICATIONS

- 14.1. There are no apparent IT implications resulting from the proposal in this report.
- 14.2. IM Implications: As Turning Point and CGL will be processing data on behalf of H&F, Privacy Impact Assessments will need to be completed to ensure all potential data protection risks are properly assessed with mitigating actions agreed and implemented. For example, a contract data protection and processing schedule or an information sharing agreement template and a Supplier Security Checklist to ensure the systems used by the contractors comply with H&F's regulatory requirements.
- 14.3. The contracts with Turning Point and CGL will need to include H&F's data protection and processing schedule. This is compliant with the General Data Protection Regulation (GDPR) enacted from 25 May 2018.
- 14.4. Implications verified/completed by: Karen Barry, Strategic Relationship Manager, IT Services, tel: 0208 753 3481.

15. RISK MANAGEMENT

- 15.1. Drug and alcohol use causes significant social and economic problems. Effective prevention, treatment and recovery can substantially reduce the economic and social costs of substance misuse related harm and add considerable Social Value to the Local area. Public Health estimates that alcohol related harm costs society £21 billion per year and drug addiction costs society £15.4 billion per year. Investing in drug

treatment saves £960 million the public, businesses, criminal justice service and NHS. Recommendations to extend the contract are in line with our Residents needs and expectations including meeting our objective of being a compassionate Council.

15.2. Implications verified by Michael Sloniowski, Risk Manager, tel. 020 8753 2587.

16. SOCIAL VALUE

16.1. The Commissioner will work with the provider to develop a social value action plan, which will form part of the contract monitoring framework.

16.2. Public Health England has researched the impact of investing in Drugs and Alcohol Services and the following identifies the averages across England:

- Alcohol treatment reflects a return on investment of £3 for every pound invested.
- Drug treatment reflects a return on investment of £4 for every pound invested

16.3. Drug and alcohol treatment results in savings in a number of areas, such as crime, quality-adjusted life years (QALY) improvements and health & social care.

16.4. Investing in drug and alcohol interventions and treatment contributes to the achievement of priority outcomes for all local stakeholders and partners

16.5. Implications verified/completed by: Ilaria Augeci - Procurement Consultant, Performance and Procurement – tel : 020 8753 4762.

17. BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	Leader's Urgent Decision Report: Contract Award: Core Drug and Core Alcohol Services (approved on 22 December 2015) - <i>EXEMPT</i>	Nicola Ashton Strategic Commissioner Public Services Reform Tel: 020 8753 5359	Social Care & PSR

LIST OF APPENDICES:

OPEN APPENDIX 1 – Analysis of Options

EXEMPT APPENDIX A – Financial and Commercial Implications