


<p>London Borough of Hammersmith & Fulham</p> <p>LEADER'S URGENCY REPORT IN CONSULTATION WITH CABINET MEMBER</p>	
<p>DIRECT AWARD OF A CONTRACT FOR A YOUNG PEOPLE'S SEXUAL HEALTH AND SUBSTANCE MISUSE WELLBEING SERVICE</p>	
<p>Report to the Leader – Councillor Stephen Cowan in consultation with the Cabinet Member for Health and Adult Social Care, Councillor Ben Coleman</p>	
<p>Open Report with Exempt Appendix Appendix A to this report is currently 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.</p>	
<p>Classification - For Decision Key Decision: Yes</p>	
<p>Other services consulted:</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Lisa Redfern, Strategic Director Social Care Anita Parkin, Director Public Health</p>	
<p>Report Author: Nicola Ashton, Strategic Commissioner Public Health</p>	<p>Contact Details: Tel: 020 8753 5359 E-mail: nicola.ashton@lbhf.gov.uk</p>
<p><u>Reasons for Urgency:</u> There is a need for a specialist drug treatment for young people in Hammersmith and Fulham. To enable an even greater focus on this area, a new drug treatment service for young people has been commissioned via a specialist agency – Turning Point.</p> <p><u>Date by which decision is required:</u></p>	

AUTHORISED BY:

The Leader has signed this report.

DATE: 9 October 2019

1 EXECUTIVE SUMMARY

- 1.1 The prevention and reduction of drug and alcohol misuse in our young people's population is very important. Further focus and experience are required in terms of mandated service provision for young people's substance misuse treatment services. Therefore, a new, more experienced service provider needs to be commissioned.
- 1.2 Under reforms introduced by the Health and Social Care Act 2012, local authorities have the duty to reduce health inequalities and improve the health of their local population, which includes ensuring that there are public health services aimed at reducing drug and alcohol misuse.
- 1.3 The budget for the service will come from the ringfenced Public Health Grant for year one, using funding previously allocated to Family Services for this purpose.

2 RECOMMENDATIONS

- 2.1 That the Leader and Cabinet Member for Health and Adult Social Care grant a waiver from the usual tendering requirements of Contract Standing Orders (CSO) on the grounds of extreme urgency and because this is in the Council's overall interests, as provided for in CSO 3, in relation to the Young People's Wellbeing Service.
- 2.2 That the Leader approves a direct award of contract to Turning Point from the date of agreement by the Leader (subject to expiry of call-in period) to 31 March 2021 at the contract price set out in the exempt appendix.

3 REASONS FOR DECISION

- 3.1 Turning Point are ideally placed to provide this service as they already provide the adult substance misuse and sexual health advice and information services in the borough.
- 3.2 Turning Point are specialists in the field in relation to drugs and alcohol and provide young people's services nationally. They currently provide a young people's specialist worker within the SASH service who will form part of the team.
- 3.3 The council must, within the conditions of the Public Health Grant, provide prevention services and access to drug treatment for young people. There is significant clinical and safeguarding risk without the availability of care planned drug treatment for children and young people.

4 PROPOSAL AND ISSUES

- 4.1 A recent review of the Public Health Outcomes Fund (PHOF) highlighted gaps in the delivery of mandatory services
- 4.2 Public Health Officers have agreed an interim arrangement with Turning Point to safeguard against any clinical risk. For example, if a young person under the age of 18 is using heroin and needs a prescription, Turning Point

will provide this service.

4.3 There is also a dedicated lead psychiatrist to support with clinical and psychosocial interventions and care planning. Turning Point have provided a worker on an immediate basis specialising in young people's substance issue and transitions, who, since the gap was identified, will work with young people under 18, while the wider service pertaining to this report is implemented.

4.4 **Service Proposal**

4.4.1 Turning Point will provide an integrated holistic wellbeing offer of advice and support for children and young people specialising in issues of substance use, sexual health and relationships. The service also provides, where necessary, access to clinical sexual health services for children via the external clinical provider as well as specialist substance misuse treatment from within this service.

4.4.2 The service, for under 18s, will provide an integrated children and young people provision for children of school age and where necessary up to 25. The reason for this is to avoid having to exclude young adults and having to transfer young people when they hit 18.

4.4.3 Innovation: Peer Education Scheme- delivery of health promotion and professional training via the Turning Point Peer Education Scheme- Young Residents of H&F who have a passion for the local community will be trained to provide packages of training and advice.

4.4.4 Mapping: The service will also conduct a mapping exercise in year 1 to establish:

- Levels of need from schools/ wider Children's Services/ health services
- Referral pathways
- Integration opportunities for the service into the wider psychological wellbeing and public health resources in place to support young people

4.5 This mapping will form part of the re-procurement strategy along with the contracts for both the Drug and Alcohol Wellbeing Service (DAWS) and The Alcohol Service (TAS). The aim is to review the Commissioning Intentions as part of the approach under Zero Based Budgeting and in line with the authorities' Ruthlessly Financially Efficient (RFE) objective. This will be central to the plan to undertake a competitive process in readiness for a new contract from April 2021. A report for approval of a combined Procurement Strategy across the three services is programmed to be presented to Cabinet in June 2020.

4.6 Funding for year 1 of the service will come from the ring-fenced public health grant. The ringfence may be removed from April 2020. Elements of this service remain mandated and if the ringfence is removed the spending

plans for 2020/21 will need to include this commitment.

5 OPTIONS AND ANALYSIS OF OPTIONS

Option 1 – do nothing

Not recommended. The services are mandatory, central to the provision of Public Health and withdrawal would almost certainly prompt Public Health England to review and challenge the use of the Public Health Grant.

Option 2 – Recommended option - Commission delivery from external provider

Commissioning the services from external providers through a Leader's Urgent decision would immediately address the gap in mandatory drug treatment and mandated services for young people.

6 CONSULTATION

- 6.1 No consultation has taken place so far. All stakeholders will be involved in the assessment of need and in the implementation of the service.

7 EQUALITY IMPLICATIONS

- 7.1 It is not anticipated there will be any negative impact on any groups with protected characteristics, under the terms of the Equality Act 2010, from the proposed contract variation as set out in the Recommendations.
- 7.2 Implications completed by: Fawad Bhatti, Social Inclusion Policy Manager, tel. 07500 103617.

8 LEGAL IMPLICATIONS

- 8.1 The Health and Social Care Act 2012 amended the National Health Service Act 2006 by inserting a new duty on every local authority to take such steps as it considers appropriate for improving the health of people in its area. Subsequent Regulations under the 2006 Act have further scoped out the extent of this duty, and some public health functions are mandatory (ie have to be provided). As set out in the report, some of what are proposed to be included in the service for young people are mandatory.
- 8.2 The contract which is the subject of this report exceeds the usual EU threshold for services of £181,302. However, the threshold is higher for certain types of health and social services. The service that is the subject of this report would fall within the classification of "Welfare services for children and young people". As a result, this service is only caught by the tendering requirements of the EU public procurement regime if its value exceeds £615,278. Therefore, there is no requirement to tender the contract under the EU procurement rules, because the value indicated in the Financial Implications is below this, though the Council is still under a duty pursuant to the Public Contract Regulations 2015 to treat all economic operators equally and without discrimination, and to act in a transparent and proportionate manner.

- 8.3 Under the Council's own Contract Standing Orders, CSO 3 sets out that a decision-maker can waive a provision of Contract Standing Orders provided that one of five grounds is made out. Where a direct award is proposed, a waiver is required in relation to the usual tendering requirements of CSO 10. Here it is proposed to rely on two of the grounds, that the waiver is in the Council's overall interests and that the services are required in circumstances of extreme urgency that could not reasonably have been foreseen. The decision-maker in approving the waiver needs to be satisfied that the report sufficiently justifies the grounds on which reliance is made.
- 8.4 Under CSO 3, the appropriate decision-maker for a waiver where the subject-matter exceeds £100,000 in value, is the appropriate Cabinet Member and the Leader. Consequently, both the Leader and the Cabinet Member need to approve the first recommendation, about the waiver. For the second recommendation about the award of contract, this decision is required by virtue of CSO 17 to be taken by Cabinet, however the Leader is able to exercise the powers of Cabinet in circumstances of urgency.
- 8.5 In light of the uncertainty about the Public Health grant for the next financial year, officers should incorporate appropriate provisions in the contract, both to allow for termination at the end of the financial year, and also to allow for reduction in scope of services for year 2 to cover only those services which are mandatory.
- 8.6 Implications verified/completed by: Deborah Down, senior associate with Sharpe Pritchard LLP ddown@sharpepritchard.co.uk

9 FINANCIAL IMPLICATIONS

- 9.1 The financial implications relating to this paragraph are contained within exempt appendix A
- 9.2 A Creditsafe check was completed for Turning Point very recently (March 2019) in support of the report recommending an extension of the DAWS contract. The check confirmed that the rating (61%) was low risk and the turnover of £126m is higher than the required minimum of double the contract value.
- 9.3 This contract will be funded through the public health ring-fenced grant. The ring-fence is expected to cease from April 2020 and arrangements for provision going forward remain unclear. The second year of this contract variation falls outside of the guaranteed ring fence. The spending plans for 2020/21 will therefore need to ensure that this commitment is included.
- 9.4 Financial implications completed by Daniel Doherty, Finance Manager, 0208 753 4287.
- 9.5 Financial implications verified by Prakash Daryanani, Head of Finance, Social Care, 020 8753 2523.

10 IMPLICATIONS FOR LOCAL BUSINESS

- 10.1 There are no business implications to be considered.
- 10.2 Implications verified/completed by: Albenia Karameros, Economic

Development Team,020 7938 8583.

11 COMMERCIAL IMPLICATIONS

- 11.1 This report seeks approval to waive the Contract Standing Orders (CSOs) and directly award the contract to Turning Point until 31st of March 2021.
- 11.2 The value of the contract is under the statutory threshold for Schedule III Services. However, the CSOs require the use of an established framework agreement or an open procedure with publication in Contracts Finder. A waiver from these requirements may be approved in line with Section 3 of CSOs by the Appropriate Person (in this case the Leader of the Council) if he is satisfied that the waiver is justified. The procurement team believes a waiver is justified on the grounds of extreme urgency and because it is in the Council's overall interests to provide the services for its residents.
- 11.3 A contract entry should be created on CapitalEsourcing Contracts Register, after the contract is awarded. This ensures compliance with the transparency requirements the Council must fulfil.
- 11.4 Implications verified/completed by: Ilaria Agueci, Procurement Consultant, [Tel.].

12 IT IMPLICATIONS

- 12.1 IT Implications: There are no IT implications resulting from the proposal in this report.
- 12.2 IM Implications: As Turning Point will be processing sensitive data on behalf of H&, a Privacy Impact Assessment will need to be completed to ensure all potential data protection risks in relation to this proposal are properly assessed with mitigating actions agreed and implemented.
- 12.3 Turning Point will be expected to have a General Data Protection Regulation (GDPR) policy in place and all staff will be expected to have received GDPR training.
- 12.4 The contract with Turning Point will need to include H&F's data protection and processing schedule, which is GDPR compliant.
- 12.5 Implications to be verified/completed by: Karen Barry, Strategic Relationship Manager, IT Services, 0208 753 3481.

13 RISK MANAGEMENT

- 13.1 The report proposals are consistent with ensuring service continuity. Services provided are in accordance with the council's priority, specifically creating a compassionate council. Our Ruthlessly Financially Efficient (RFE) priority also requires that proposals establish need. This is clearly established in the proposal, where there is a gap in mandated service provision for young people's sexual health and substance misuse services. These services were previously provided through Early Help Services and funded through public health. Under RFE, there needs to be an agreed funding source. This has been confirmed as being funded from the ring-fenced Public Health Grant for the first year, therefore there is a potentially

an unfunded risk exposure for year 2 of the scheme. The second year of this contract variation falls outside of the of the guaranteed ring fence. The spending plans for 2020/21 will therefore need to ensure that this commitment is included. The usual contract performance monitoring arrangements should be implemented to ensure that the council's objectives continue to be delivered to a high standard.

13.2 Implications verified/completed by: Michael Sloniowski Risk Manager, 020 8753 2587 and 07768 252703. David Hughes, 07817 507695 and 0207 361 2389.

14 BACKGROUND PAPERS USED IN PREPARING THIS REPORT

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
	None		

15 LIST OF APPENDICES

Exempt Appendix A - FINANCIAL IMPLICATIONS AT SECTION 9 OF THE OPEN REPORT