

# Nottingham City Council Delegated Decision



**Nottingham**  
**City Council**

Reference Number:

4635

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Department:

Finance and Resources

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Subject:

Extension of supervised consumption in community pharmacy contracts for the period of one year

Total Value:

£285,613 (Type: Revenue)

Decision Being Taken:

- 1) to approve the extension of the supervised consumption in pharmacies contracts for the period of one year, from 1st April 2022 to 31st March 2023.
- 2) to delegate authority to the Director of Public Health to award the contract extensions to existing providers.
- 3) to delegate authority to the Director of Public Health to award new contracts to any provider that wishes to deliver this service under the open accreditation procurement process currently in operation in line with approval granted in 2018.

**Reasons for the Decision(s)**

In line with NICE guidelines and clinical best practice, it is recommended that a drug treatment journey where opioid substitution therapy (OST) is prescribed, starts with three months of daily supervised consumption of OST as a minimum. Supervised consumption reduces the risks of overdose or underdosing, diversion of controlled medication, and accidental poisoning of children and vulnerable adults.

Nottingham City Council has commissioned community pharmacies to deliver supervised consumption since the public health reform in 2013 and there are over 50 branches across the city that currently deliver supervised consumption and have done so for many years.

In October 2021, committee approved the re-procurement of the supervised consumption scheme within pharmacies. There has been a delay in initiating the procurement process which means that an extension must be approved to ensure continuation of a much-needed provision within Nottingham City.

In the approval paper, it was agreed that the scheme would be procured under an open accreditation process, a model of which has applied throughout the current contract period. It is the intention of commissioners to continue to advertise the open accreditation of the scheme on the Nottingham City Council website during this extension period to enable any prospective providers to apply and deliver, if appropriate.

During the review process prior to the initial procurement in 2018, benchmarking showed that the transaction costs were aligned to national and local transaction fees, ensuring best value. Additionally, providing a supervised consumption service enables financial savings across other areas of the council and other statutory and public sector organisations. For example, reducing the quantity of diverted medicines cuts down on Police time, and the reduction of risk of fatal overdose will cut down on Coroner's time and expenses.

The current supervised consumption contract was issued on 1st April 2018 for four one-year periods (1+1+1+1). The one year extension will allow the provision to continue and allow commissioners time to ensure that the new contract is in place for 1st April 2023.

**Other Options Considered:**

1) Do nothing and let the service provision end on 31st March 2022. This is not a viable option because there is a clear need for this service in the city to continue to ensure the continuity of positive outcomes for people who use opioids. Discontinuation of this service could result in an increase in overdose, accidental poisoning, and diversion of medication. All of these aspects would increase the burden on other departments and organisations such as HM Corner's Office, Nottinghamshire Police, Community Protection and local businesses, to name a few.

In line with Public Health grant requirements as laid out in Public Health Grant Conditions and Mandated Functions in England, a local authority must, as a condition in using the grant, "have regard to the need to improve the take up of, and outcomes from, its drug and alcohol treatment services". The supervised consumption scheme will allow Nottingham City to provider an evidence-based treatment system which aligns with the needs of the drug-using population.

**Background Papers:**

**Published Works:**

**Commissioning and Procurement Executive Committee report from 12th October 2021, in which approval was gained for the procurement of the supervised consumption scheme within community pharmacies for a period of five years, with the option to extend for two further two-year periods (5+2+2).**

**Affected Wards:**

**Citywide**

**Colleague / Councillor Interests:**

**Consultations:**

**Those not consulted are not directly affected by the decision.**

**Crime and Disorder Implications:**

**None**

**Equality:**

**EIA not required. Reasons: The service specification will see no changes and there have been no notable changes to equalities legislation, nor to the population of Nottingham City. The previous EIA focussed on the changes to the financial model that occurred in the contract beginning in 2018. The current contract details the requirement to comply with equalities legislation.**

**Regard for NHS Constitution:**

**Local authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making this decision relating to public health functions, we have properly considered the NHS Constitution where applicable and have taken into account how it can be applied in order to commission services to improve the health of the local community.**

**Decision Type:**

**Portfolio Holder**

**Subject to Call In:**

**Yes**

**Call In Expiry date:**

**01/06/2022**

**Advice Sought:**

**Legal, Finance, Procurement**

**Legal Advice:**

The proposals in this report raise no significant legal issues and are supported.

An extension of the existing arrangement will permit a tender process (approval for which has already been sought) to be prepared and undertaken. Due to the open nature of the accreditation process that is in place for these types of services, the proposal to extend the contracts is deemed to be permissible as a non-substantial modification under the Public Contracts Regulations 2015 which is in turn permissible in accordance with Article 18.99 of the Constitution. The proposed extended accreditation process will remain open for the duration of extension period which shall ensure continued opportunity and competition for providers in the market.

A new tender will be undertaken during the extension period to facilitate a new contract being put in place from April 2023. Legal services will assist as necessary with respect to any contract extensions and the future procurement requirements. Advice provided by Dionne Claire Screamon (Solicitor) on 14/04/2022.

**Finance Advice:**

This decision seeks to provide approval for extension of the supervised consumption in pharmacies contracts starting in 1st April 2022 for a period of 12 months in accordance with previously agreed supervised consumption contract issued on April 2018 for 4 one year periods. This will be final year of this original contract.

The total costs of this proposal, for up to 12 months, is up to £285,613. The funding for this service will be provided from the Public Health Grant 2022/23, and has been factored into planned use of that grant. As this grant will fully fund the proposal, the costs of this decision will be covered without any additional pressure to the Council.

Funding for this decision is to be made from Public Health budgets held in Crime and Drugs Partnership (CDP). The service should monitor expenditure closely to ensure that the contract remains within budget provision. Advice provided by Graeme Black (Commercial Business Partner) on 06/05/2022.

**Procurement Advice:**

The proposed extension to the current supervised consumption in pharmacies contracts for one year, from 1st April 2022 to 31st March 2023 is considered to be a permissible extension in accordance with Clause 18.99 of Contract Procedure Rules and Reg 72 (1) (e) of Public Procurement Regulations 2015, and is supported from a Procurement perspective. This is managed as an accreditation process, and new providers are able to submit an application to join the accreditation at any time during this contract extension period. Is it evidenced that best value is demonstrated in terms of the costs of the current service. The procurement process for new supervised consumption provision through an open accreditation process will commence during 2022.

Advice provided by Julie Herrod (Procurement Officer) on 14/04/2022.

**Signatures**

Linda Woodings as Portfolio Holder (PH Adult Social Care and Health)
SIGNED and Dated: 23/05/2022
Lucy Hubber (DPH)
SIGNED and Dated: 18/05/2022