

**EXECUTIVE BOARD - COMMISSIONING AND PROCUREMENT SUB COMMITTEE –**  
**September 2016**

|   |   |                                 |   |
|---|---|---------------------------------|---|
| <b>Subject:</b>   | Approval to CDP to extend contract length for new young people's substance misuse services  |                                 |   |
| <b>Corporate Director(s)/ Director(s):</b>  | Candida Brudenell – Assistant Chief Executive Officer<br>Katy Ball – Director of Commissioning and Procurement  |                                 |   |
| <b>Portfolio Holder(s):</b>   | Councillor Norris and Councillor Heaton   |                                 |   |
| <b>Report author and contact details:</b>   | Bethan Hopcraft – Strategy and Commissioning Officer (Crime and Drugs Partnership)<br>0115 8765656<br><a href="mailto:bethan.hopcraft@nottinghamcity.gov.uk">bethan.hopcraft@nottinghamcity.gov.uk</a><br><br>Christine Oliver – Head Commissioning for Nottingham City Council<br>0115 8765725<br><a href="mailto:Christine.oliver@nottinghamcity.gov.uk">Christine.oliver@nottinghamcity.gov.uk</a> |                                 |   |
| <b>Key Decision</b>   | <input checked="" type="checkbox"/> Yes   | <input type="checkbox"/> No     | <b>Subject to call-in</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No               |
| <b>Reasons:</b>   | <input checked="" type="checkbox"/> Expenditure   | <input type="checkbox"/> Income | <input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision |
|   |   |                                 | <input checked="" type="checkbox"/> Revenue<br><input type="checkbox"/> Capital                             |
| Significant impact on communities living or working in two or more wards in the City  |   |                                 | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No                                      |
| <b>Total value of the decision:</b> £2,184,749  |   |                                 |   |
| <b>Wards affected:</b> All  | <b>Date of consultation with Portfolio Holder(s):</b> 4 <sup>th</sup> August 2016 (Cllr. Norris via email)  |                                 |   |
| <b>Relevant Council Plan Strategic Priority:</b>  |   |                                 |   |
| Cutting unemployment by a quarter   |   |                                 | <input type="checkbox"/>  |
| Cut crime and anti-social behaviour   |   |                                 | <input checked="" type="checkbox"/>   |
| Ensure more school leavers get a job, training or further education than any other City   |   |                                 | <input type="checkbox"/>  |
| Your neighbourhood as clean as the City Centre  |   |                                 | <input type="checkbox"/>  |
| Help keep your energy bills down  |   |                                 | <input type="checkbox"/>  |
| Good access to public transport   |   |                                 | <input type="checkbox"/>  |
| Nottingham has a good mix of housing  |   |                                 | <input type="checkbox"/>  |
| Nottingham is a good place to do business, invest and create jobs   |   |                                 | <input type="checkbox"/>  |
| Nottingham offers a wide range of leisure activities, parks and sporting events   |   |                                 | <input type="checkbox"/>  |
| Support early intervention activities   |   |                                 | <input checked="" type="checkbox"/>   |
| Deliver effective, value for money services to our citizens   |   |                                 | <input checked="" type="checkbox"/>   |
| <b>Summary of issues (including benefits to citizens/service users):</b><br>Authority to tender and award this contract for 3+1+1 was given at the March 2016 sub-committee. To align this contract with other substance misuse contracts, we seek authority to extend the contract to 5+1+1. |   |                                 |   |
| <b>Exempt information:</b><br><b>State 'None' or complete the following.</b><br>None  |   |                                 |   |
| <b>Recommendation(s):</b>   |   |                                 |   |
| 1. To authorise extended contract length for new young people's specialist substance misuse treatment service for 5 years (with the option to extend for two further periods of one year 5+1+1) following the tender, award and contract implementation of an appropriate service.            |   |                                 |   |

## **1 REASONS FOR RECOMMENDATIONS**

- 1.1 Authority to tender and award the young people's specialist substance misuse treatment service at a contract length of 3+1+1 years was granted at Commissioning and Procurement Sub Committee March 2016.
- 1.2 We now seek to extend the agreed contract length from 3+1+1 to 5+1+1 as this would ensure greater stability for providers and potentially make the tender more attractive to the market.
- 1.3 Longer contract lengths offer more stability to citizens and ensure comparability of contract length with other areas of public health and substance misuse contracts.
- 1.4 Relevant break clauses within the longer contract will be retained to ensure that contracts can be ended early should that be required.

## **2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)**

- 2.1 The alignment of substance misuse provision in the City took place in 2015/16 and 2016/17. New services are now in place as of 1<sup>st</sup> July 2016. The tendering of the young peoples' substance misuse service follows that process and will be tendered and awarded in this financial year in line with the authority granted by this committee.
- 2.2 To align contract lengths will make the tendering opportunity more attractive to potential bidders and will offer more stability to providers and for service users.

## **3. OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS**

- 3.1 In May 2016, the Commissioning and Procurement Sub Committee granted authority for the agreed length of new contracts (3 years, plus 1, plus 1). Due to the commissioning already undertaken to achieve the MTFP we now seek to extend that contract length to invite a wider range of bidders and to give stability to the service provision. This originally agreed length remains an option but there is risk that it may put potential providers off engaging with the tender opportunity. Shorter contracts create a cycle of ongoing commissioning which is destabilising for providers and citizens and also impacts on the capacity within commissioning and procurement.

## **4 FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)**

- 4.1 The value of the new tender is yet to be confirmed but will continue to provide good value for money. This will ensure that the MTFP requirements are achieved.

## **5 RISK MANAGEMENT ISSUES (INCLUDING LEGAL AND PROCUREMENT IMPLICATIONS AND CRIME AND DISORDER ACT IMPLICATIONS)**

- 5.1 The risk of a longer contract is equal to the risk of a shorter contract as appropriate break clauses are included within the contract terms and conditions.

## **6 SOCIAL VALUE CONSIDERATIONS**

- 6.1 Recommendations have been considered in line with the Public Services (Social Value) Act 2012. All services within this report aim to improve the social wellbeing of the client.

## **7 REGARD TO THE NHS CONSTITUTION**

- 7.1 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 decisions relating to public health functions we consider the NHS Constitution where appropriate and take into account how it can be applied in order to commission services to improve health and wellbeing.

## **8 EQUALITY IMPACT ASSESSMENT (EIA)**

- 8.1 Equality Impact Assessments are being drafted in line with the review of current provision.

## **9 LIST OF BACKGROUND PAPERS RELIED UPON IN WRITING THIS REPORT (NOT INCLUDING PUBLISHED DOCUMENTS OR CONFIDENTIAL OR EXEMPT INFORMATION)**

- 9.1 None

## **10 PUBLISHED DOCUMENTS REFERRED TO IN THIS REPORT**

- 10.1 EXECUTIVE BOARD - COMMISSIONING AND PROCUREMENT SUB COMMITTEE – 10 March 2016 - Approval of Crime and Drugs Partnership Funding Allocation Spend 2016/17

## **11 OTHER COLLEAGUES WHO HAVE PROVIDED INPUT**