

**REPORT TO:** Executive Board Sub Committee

**DATE:** 12 February 2009

**REPORTING OFFICER:** Strategic Director – Health & Community

**SUBJECT:** One Year Extension to Current Drug Service Contract

**WARD(S)** Borough-wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To seek authority to increase and extend the contracts of ARCH Initiatives and Addaction until 31<sup>st</sup> March 2010.

## **2.0 RECOMMENDATION: That:**

- i) **For the purpose of Standing Order 1.6b, that authority is delegated to the Operational Director, Culture & Leisure Services to extend the contracts of ARCH Initiatives and Addaction until 31<sup>st</sup> March 2010 without competitive tendering and at an additional cost of £80,000 and £36,000 respectively.**

## **3.0 SUPPORTING INFORMATION**

3.1 In May 2008, the Strategic Director Health & Community was authorised to proceed with the open tendering and procurement of a community based drug service. The planned start date for this service was April 2009. As a consequence current service providers were issued with notices of termination of contracts. The notice was to expire on 31 March 2009.

3.2 Following discussions in November 2008 with the Chief Executive, Strategic Director Health & Community, Deputy Director of Public Health and Operational Director for Partnership Commissioning (Halton & St Helens PCT) the decision was taken to halt this tender process.

3.3 During this process, Halton & St Helens PCT indicated that significant additional resource was to be made available for the provision of alcohol treatment from April 2009. In the interests of economy, efficiency and effectiveness the Council and the PCT are now discussing how the alcohol and drugs resources can be combined with a view to tendering for a combined substance misuse service, commencing April 2010.

3.4 Therefore to prevent any gaps in service provision it is necessary to

withdraw termination notices and extend contracts for a further year for both ARCH Initiatives and Addaction.

### 3.5 Business Case Supporting the Proposal to Waive

#### 3.5.1 Value for Money & Competition

3.5.1.1 Under the initial tender process, a new service provider would have been in place in April 2009. However, with the unanticipated halting of the tender process in November 2008, this has left insufficient time to undertake a new tender process and award contracts to commence on 1<sup>st</sup> April 2009.

3.5.1.2 Tendering and awarding a one year contract from 1<sup>st</sup> April 2009 to 31<sup>st</sup> March 2010 would cause significant disruption to service delivery, service users and staff in provider services.

3.5.1.3 Current performance projections indicate that it is unlikely that Halton will meet NI 40, 'drug users in effective treatment'. The additional investment in these two services seeks to address this issue through the creation of additional capacity.

3.5.1.4 Value for money will be ensured through the Partnership's continuing performance management of these contracts.

3.5.1.5 The services delivered by ARCH Initiatives & Addaction through these two contracts will be subject to open, competitive tendering in 2009/10 when the Council, in partnership with other Local Authorities and PCTs tenders for a combined drug and alcohol service.

#### 3.6 Transparency & Accountability

3.6.1 The choices regarding the extension of these contracts will be available for audit and inspection.

3.6.2 Details of expenditure and performance are reported to the Safer Halton Partnership and the National Treatment Agency.

3.6.3 The Officers supporting the award of these contracts will comply with the Public Contracts Regulations 2006.

3.6.4 Functional accountability for the contract will remain with the Operational Director, Culture & Leisure Services, and the contract would be subject to internal and external audit & PPB scrutiny.

#### 3.7 Propriety & Security

3.7.1 The contract documents will include the council's standard integrity clauses and staff only with a need to know will have commercial

information about the contracts.

#### **4.0 SUPPORTING INFORMATION**

4.1 ARCH Initiatives currently provide the screening and assessment functions for the single point of access at Ashley House. They also provide time limited support to individuals that use stimulant drugs. The contract value to provide these services in 09/10 would be £144,000. However, it is the intention of the Drug Action Team to invest a further £80,000 to also provide an improved service for Carers and increase referrals from local hospitals. Total contract value for 2009/10 would therefore be £224,000.

4.2 Addaction currently provide the Outreach Service and the Drug Intervention Programme targeted at drug using offenders. The contract value for 2009/10 would be £304,000. However, in order to provide additional capacity to support the Prolific Offender Team and establish an increased presence at the police custody suite at Manor Park, the Drug Action Team intends to invest a further £36,000. Therefore the total contract value for 2009/10 would be £340,000.

#### **5.0 POLICY IMPLICATIONS**

5.1 The proposal supports the local implementation of the national drug strategy 2008-18, Drugs: Protecting Families and Communities.

5.2 The proposal also supports the local implementation of the National Treatment Agency guidance on drug treatment systems, Models of Care.

#### **6.0 FINANCIAL IMPLICATIONS**

6.1 Both contracts and the proposed increases to their contract value will be met through existing resources.

#### **7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

##### **7.1 Children & Young People in Halton**

The proposal could identify young people that are caring for drug using parents.

##### **7.2 Employment, Learning & Skills in Halton**

None identified

##### **7.3 A Healthy Halton**

This proposal supports the delivery of the borough Carer's Strategy through increasing the identification and engagement of carers of

drug users.

#### 7.4 **A Safer Halton**

This proposal supports the crime reduction agenda of the Safer Halton Partnership through an increased engagement of drug using offenders.

#### 7.5 **Halton's Urban Renewal**

None identified

### 8.0 **RISK ANALYSIS**

8.1 Not approving contract extensions would result in significant loss of service delivery until April 2010, and militate against achieving the LAA and national target – NI 40, Numbers of drug users in effective treatment.

8.2 The loss of both of these services will result in increases in drug related crime.

### 9.0 **EQUALITY AND DIVERSITY ISSUES**

9.1 There are no specific equality and diversity issues. Contractors will be expected to comply with current legislation.

### 10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

<b>Document</b>	<b>Place of Inspection</b>	<b>Contact Officer</b>
Halton Treatment Plan 2008/09	Runcorn Town Hall	Steve Eastwood Divisional Manager Drug & Alcohol Action Team