

REPORT TO: Executive Board Sub Committee
DATE: 15th December 2011
REPORTING OFFICER: Strategic Director, Communities
PORTFOLIO: Community Safety
SUBJECT: Substance Misuse Services
WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To seek delegated authority to the Strategic Director Communities, in consultation with the portfolio-holder for Safer Halton, to extend the contracts of 5 Boroughs Partnership NHS Foundation Trust, Addaction & ARCH Initiatives on a month by month basis until March 31st 2012.
- 1.2 To seek authority for the Council to accept the assignment of the lease of Ashley House until it expires in March 2015.

2.0 RECOMMENDATION: That

- (1) **in the light of exceptional circumstances set out in 3.4 below, for the purpose of Standing Order 1.8.2b, procurement Standing Orders 2.0.1 and 2.1 – 2.6 be waived, and the Strategic Director Communities be authorised to extend the following contracts direct and without competition for the current providers; ARCH initiatives, Addaction & 5 Boroughs Partnership NHS Foundation Trust, in order to ensure continuous care and support to those currently in receipt of drug and alcohol treatment;**
- (2) **the contract extensions authorised in (1) be, on a month by month basis, over the period commencing 1st January 2012 and extending to 31st March 2012;**
- (3) **the Strategic Director Communities, in consultation with the Portfolio Holder for Community Safety, to take such action as is necessary, to effect a smooth transition to the new substance misuse service; and**
- (4) **the Committee endorses the recommendation of the Asset Management Group and approves the assignment of the lease from the 5 Boroughs Partnership NHS Foundation Trust for Ashley House until March 2015.**

3.0 BACKGROUND INFORMATION

- 3.1 In February 2011, Executive Board Sub Committee authorised the Strategic Director, Communities, to carry out all necessary steps in relation to the open tendering and commissioning of a community based recovery orientated Drug and Alcohol Substance Misuse service.
- 3.2 On the 22nd September 2011, Executive Board Sub Committee resolved that in accordance with Standing Order 2.11b, the Operational Director Commissioning and Complex Care be authorised, to enter into a contract with Crime Reduction Initiatives, who through an open tender process had been assessed as being the most economically advantageous and effective organisation to deliver the new substance misuse service.
- 3.3 The Committee also resolved that in the light of exceptional circumstances, for the purpose of Standing Order 1.8.2b, Procurement Standing Orders 2.0.1 and 2.1 to 2.6 be waived, and the Operational Director Commissioning and Complex Care be authorised to extend the following contracts direct and without competition for the current providers; ARCH Initiatives, Addaction and 5 Boroughs Partnership NHS Foundation Trust, in order to ensure continuous care and support to those currently in receipt of drug treatment. Contracts were extended up until December 31st 2011.
- 3.4 Following the award of the new contract to Crime Reduction Initiatives, clarification on a number of issues relating to the contractual process and the transfers of service has meant that the process has taken longer to conclude.
- 3.5 In order to ensure that the transfer to the new substance misuse service is both clinically safe and complies with TUPE regulations, authority is sort for the Strategic Director Communities, in conjunction with the portfolio holder for Safer Halton, to extend current service contracts on a month by month basis until 31st March 2012.
- 3.6 Substance misuse services are currently delivered from Ashley House in Widnes. The property is leased by 5 Boroughs Partnership NHS Foundation Trust from a private landlord and has been subject to considerable investment by the Commissioners over the preceding years.
- 3.7 On the 9th June 2011, the Asset Management Group supported a proposal whereby the lease for Ashley House was transferred to the Council from 5 Boroughs Partnership NHS Foundation Trust, at the conclusion of their contract.

- 3.8 Under the proposed new arrangements, the Council would sub-lease Ashley House to the new incoming substance misuse service provider, Crime Reduction Initiatives, thereby ensuring a seamless continuity of service.
- 3.9 Authority is now being sort to endorse the Asset Management Group's decision and for the Council to accept the assignment of the lease until it expires in March 2015.
- 3.10 the business case to support the proposal to waive is;
VALUE FOR MONEY & COMPETITION; there are approximately 700 individuals and 150 cares accessing services at Ashley House. A significant number will have a range of complex needs related to their health, offending or family relationships as a result of substance misuse. Maintaining a continuity of care with these individuals is an important aspect with regards to managing both their personal risks and risks to the wider community. Robust performance monitoring processes that include comparators with regional and national performance measures and feedback of service users & carers experiences of the service they receive are in place to ensure both value for money and achievement of standards.

TRANSPARENCY & ACCOUNTABILITY; The choices regarding the extension of these contracts will be available for audit and inspection. Details of expenditure and performance are reported to the Safer Halton Partnership. The Officers supporting the award of these contracts will comply with the Public Contracts Regulations 2006. Functional accountability for the contract will be with the Operational Director, Commissioning & Complex Care, and the contract would be subject to internal and external audit & PPB scrutiny.

PROPRIETY & SECURITY; 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.

POSITION OF THE CONTRACT UNDER PUBLIC CONTRACTS REGULATIONS 2006; under the Public Contracts Regulations 2006 Health and Social Services are a part-exempt service.

4.0 FINANCE & OTHER IMPLICATIONS

- 4.1 Currently there are no financial implications. Costs associated with service delivery and Ashley House can be met through existing budgets.
- 4.2 The financial implications for the Council are that if the lease is not extended beyond its current term of March 2015, there will be a requirement to reinstate the premises to its previous function. The estimated cost of this based on a desk top exercise is £152k.

Contingency arrangements have been made for this sum in current budgets.

5.0 RISK ANALYSIS

- 5.1** Not approving contract extensions would result in a temporary loss of services for approximately 700 individuals and would result in not only significant harm to those individuals but also increased substance misuse related crime, presentations to the NHS, homelessness and risks to children & young people of substance misusing parents.
- 5.2** If Halton Borough Council accepted an assignment of the lease and then sub-let the premises to the new provider, the Council would be able to ensure that a property was available for business continuity purposes, should the new provider default on their contractual obligations to provide a substance misuse service.
- 5.3** Although there are financial risks to Halton Borough Council as described in 4.2, these risks would be present, regardless of whether or not Halton Borough Council accepted an assignment of the lease.

6.0 EQUALITY AND DIVERSITY ISSUES

- 6.1** Approving an extension to these contracts will ensure continuity of services to vulnerable people at risk of social exclusion.

7.0 CONTRIBUTION TO PRIORITIES

- 7.1 Children & Young People**
Reducing the impact of parental substance misuse is a key outcome for the service.
- 7.2 Employment, Learning & Skills**
Sustaining employment, education & training is a key outcome for the service.
- 7.3 Healthy Halton**
Improving health and well being is a key outcome for the service.
- 7.4 Safer Halton**
Reducing substance misuse related crime is a key outcome for the service.
- 7.5 Urban Renewal**
None identified

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the act.