

# Finance and Resources Committee

10:00am, Monday, 14 December 2015

## Edinburgh Alcohol and Drug Partnership (EADP) Adult Community Treatment Services – Contract

Item number

Report number

Wards: All

### Executive summary

This report seeks the approval of the Finance and Resources Committee to award contracts for Adult Community Treatment Services to be delivered on behalf of the Edinburgh Alcohol and Drug Partnership (EADP). The term of the contract will be three years, with an option to extend for up to a further 24 months.

These contracts replace similar contracts.

This report offers additional information on the tendering process at the request of the committee. This additional information is located in appendix 4.

### Links

<b>Coalition Pledges</b>	P12 and P43
<b>Council Outcomes</b>	CO10 and CO11
<b>Single Outcome Agreement</b>	SO2

## Edinburgh Alcohol and Drug Partnership (EADP) Adult Community Treatment Services – Contract

### 1. Recommendations

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- 1.1 It is recommended that the Finance and Resources Committee approves the award of three year contracts to The Lifeline Project and Turning Point Scotland for provision of Adult Community Treatment Services, with the option to extend the contracts for up to a further 24 months.

### 2. Background

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- 2.1 The Edinburgh Alcohol and Drug Partnership (EADP) is a collaborative partnership of the City of Edinburgh Council, NHS Lothian, Police Scotland, the Scottish Prison Service and the Third Sector.
- 2.2 EADP invests in a range of services that are intended to stop or reduce substance misuse, including adult community treatment services.

### 3. Main Report

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- 3.1 In terms of EU procurement regulations, care services are Part B services. Although Part B services are not subject to the full rigours of EU procurement regulations, there is a requirement for openness, transparency and fair and equal treatment, as well as a requirement to comply with the Public Contracts (Scotland) Regulations 2012 and the Council's Contract Standing Orders.
- 3.2 A Contract Notice was published on the Public Contracts Scotland (PCS) website on 21 August 2015 and an open Invitation to Tender (ITT) was published on the Public Contracts Scotland-Tender (PCS-T) website the same day. A total of eleven organisations registered interest.
- 3.3 A supplier briefing meeting was held on 3 September 2015 to provide guidance on tendering and to respond to questions about the specification of requirements and the tender process.
- 3.4 In order to facilitate contract management on a locality basis and enable smaller providers to tender, the requirement was divided into four lots, corresponding to the four localities of the City of Edinburgh Council area. Tenderers were asked to offer to provide the service in one or more localities and to state their order of preference if offering for more than one locality.

- 3.5 Six organisations submitted tenders by the deadline of 2 October 2015.
- 3.6 Tenders were evaluated on the basis of the most economically advantageous tender, with weighting of 70% for quality and 30% for price. A summary of the tender process and information about the award criteria and the scoring methodology are provided at appendices 1, 2 and 3 of this report.
- 3.7 Evaluation of the technical (quality) content of the bids was undertaken by an evaluation panel including Council officers and a representative of NHS Lothian.
- 3.8 Evaluation of the commercial (price) content of the bids was undertaken by the Council's Procurement and Commercial Services, based on the offer price for annual provision of the service.
- 3.9 The Lifeline Project was the first placed bidder for all four localities and the financial probity assessment concluded that "The Lifeline Project is capable of undertaking all four lots".
- 3.10 The tender documents stipulate that "Award of Contracts to a Tenderer for more than one locality will be subject to the Council satisfying itself that the Tenderer is able to provide sufficient and appropriate resources and that any risks to delivery of the Service are acceptable to the Council."
- 3.11 The Lifeline Project is able to provide sufficient and appropriate resources to deliver the service in all four localities. However, having no alternative provider of these services is considered to be a risk that the Council should avoid. Accordingly, it is recommended that one of the four contracts should be awarded to the second placed tenderer, Turning Point Scotland.
- 3.12 The Edinburgh Alcohol and Drug Partnership (EADP) will be responsible for contract management and will monitor management and performance information.

#### **4. Measures of success**

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- 4.1 The contracts will address directly the need to provide adult community treatment services for substance misuse throughout the City of Edinburgh Council area.
- 4.2 The contracts meet the specification of requirements within the allocated budget.

#### **5. Financial impact**

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- 5.1 The maximum potential value of the contracts, including extensions, is £7,251,395.
- 5.2 The contract values represent a saving of £89,721 per annum, compared to the allocated budget.
- 5.3 The costs associated with procuring these contracts are estimated to be from £10,001 to £20,000.

## 6. Risk, policy, compliance and governance impact

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- 6.1 The risks associated with implementing the contracts will be monitored and managed through the Edinburgh Alcohol and Drug Partnership (EADP).

## 7. Equalities impact

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- 7.1 A full equalities and rights impact assessment (ERIA) has been undertaken.  
7.2 There are no direct equality and rights impacts arising from this report.

## 8. Sustainability impact

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- 8.1 There are no impacts on carbon, adaptation to climate change and sustainable development arising directly from this report.

## 9. Consultation and engagement

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- 9.1 Meetings were held with incumbent providers prior to commencement of the procurement procedure. This created an opportunity for informal discussion of the requirements, taking account of lessons learned from current provision of the services.

## 10. Background reading/external references

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Equalities and rights impact assessment:

[http://www.edinburgh.gov.uk/directory\\_record/580686/procurement\\_of\\_eadp\\_services\\_2015](http://www.edinburgh.gov.uk/directory_record/580686/procurement_of_eadp_services_2015)

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## 11. Links

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**Coalition Pledges** P12 - Work with health, police and third sector agencies to expand existing and effective drug and alcohol treatment

<b>Council Outcomes</b>	programmes. P43 - Invest in healthy living and fitness advice for those most in need.
<b>Single Outcome Agreement</b>	CO10 - Improved health and reduced inequalities. CO11 - Preventative and personalised support in place. SO2 - Edinburgh's citizens experience improved health and wellbeing, with reduced inequalities in health.

<b>Appendices</b>	<ol style="list-style-type: none"><li>1. Summary of Tender Process</li><li>2. Award Criteria</li><li>3. Scoring Methodology</li><li>4. Further Information on the Tender and Evaluation Process</li></ol>
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# Appendix 1 - Summary of Tender Process

## EADP Adult Community Treatment Services – Contract Ref. CT 0476

<b><i>Tender</i></b>	<b>EADP Adult Community Treatment Services – Contract Ref. CT 0476</b>
<i>Contract Period</i>	1 April 2016 to 31 March 2019 with option to extend for up to twenty four months
<i>Estimated value of contract</i>	£7,251,395 (total including extension)
<i>Standing Orders observed</i>	Open Procedure
<i>EC Directives</i>	2004/18/EC
<i>Tenders Returned</i>	6
<i>Tenders fully compliant</i>	6
<i>Recommended Providers</i>	The Lifeline Project for the South West, South Central and North West Localities.  Turning Point Scotland for the East Locality.
<i>Primary Criterion</i>	Most economically advantageous tender to have met the qualitative and technical specification
<i>Evaluation criteria and weightings and reasons for this approach</i>	Quality (70%) Price (30%)  Quality was of greater importance due to the nature of the services to be provided.
<i>Evaluation Team</i>	Officers from Health and Social Care and a representative from NHS Lothian.

## Appendix 2 - Award Criteria

### EADP Adult Community Treatment Services – Contract Ref. CT 0476

Technical (Quality) Evaluation - Award Criteria	Weighting (%)
Approach	10%
Accessibility and Harm Reduction	10%
Methodology and Organisation	15%
Service Programme and Interventions Offered	20%
Staff Quality	10%
Supportive Activities	10%
Organisational Quality and Strategic Contribution	10%
Implementation Plan	10%
Community Benefits	5%
<b>Total</b>	<b>100%</b>

Bids were assessed for quality using the above evaluation criteria and scored as a percentage of the weighting of 70 for quality.

Bids were assessed for price and the lowest priced bid was awarded the maximum total weighting of 30 for price; higher priced bids were awarded pro rata scores out of 30, measured against the lowest priced bid. Resultant overall scores were as follows:

<b>South West Locality</b>	Quality	Price	TOTAL	Position
The Lifeline Project	61.25	29.51	90.76	1
Provider B	42.00	27.85	69.85	2
Provider C	29.75	30.00	59.75	3

<b>South East with South Central Locality</b>	Quality	Price	TOTAL	Position
The Lifeline Project	61.25	29.29	90.54	1
Provider B	42.00	27.43	69.43	2
Provider D	29.75	30.00	59.75	3

<b>North West Locality</b>	Quality	Price	TOTAL	Position
The Lifeline Project	61.25	30.00	91.25	1
Provider B	42.00	28.61	70.61	2
Provider E	32.38	29.50	61.88	3

<b>North East Locality</b>	Quality	Price	TOTAL	Position
The Lifeline Project	61.25	30.00	91.25	1
Turning Point Scotland	61.25	28.32	89.57	2
Provider B	42.00	28.42	70.42	3

## Appendix 3 - Scoring Methodology

### EADP Adult Community Treatment Services – Contract Ref. CT 0476

#### Scoring Methodology for Technical (Quality) Evaluation

Score	Description
<b>0</b> <b>Unacceptable</b>	Nil or inadequate response. Fails to demonstrate an ability to meet the requirement.
<b>1</b> <b>Poor</b>	Response is partially relevant but generally poor. The response addresses some elements of the requirement but contains insufficient/limited detail or explanation to demonstrate how the requirement will be fulfilled.
<b>2</b> <b>Acceptable</b>	Response is relevant and acceptable. The response addresses a broad understanding of the requirement but may lack details on how the requirement will be fulfilled in certain areas.
<b>3</b> <b>Good</b>	Response is relevant and good. The response is sufficiently detailed to demonstrate a good understanding and provides details on how the requirements will be fulfilled.
<b>4</b> <b>Excellent</b>	Response is completely relevant and excellent overall. The response is comprehensive, unambiguous and demonstrates a thorough understanding of the requirement and provides details of how the requirement will be met in full.

# Appendix 4 – Further information on the tender and evaluation process

## **EADP Adult Community Treatment Services – Contract Ref. CT 0476**

### **Further to 4.1**

The service specification was based on a co-produced model of integrated care. The co-production took place over the course of 12 meetings with the service managers in the hubs from NHS Lothian Substance Misuse Divisions, the City of Edinburgh Council Social Work, the Commissioners from the Alcohol and Drug Partnership (EADP) and the incumbent voluntary sector providers. The model of care incorporates the experience of the existing providers, lessons from similar services in other areas and the results of consultations with service users, carers and other key stakeholders. It was informed by the need to manage a reducing budget, the integration of Health and Social Care and the requirement to commission a more recovery orientated system of care. The model of care increases the responsibilities of the third sector, with a corresponding increase in the value of the contract; the requirements are substantively different to the current provision.

The model of care was coproduced by this partnership group.

The Service Specification was based on this co-produced model of care. It details the people with whom the provider of the service would be expected to work, the outcomes, key tasks and quality of service to be provided.

### **Further to Appendix 2 – Award Criteria and 3.7**

The quality of the bids was evaluated by an expert panel, made up of representatives from NHS Lothian Substance Misuse Directorate, City of Edinburgh Council Social Work and the Alcohol and Drug Partnership team. The evaluation considered which offer would best meet the requirements detailed in the service specification. This evaluation was based on the Scheme of Evaluation (the Scheme). The Scheme describes the information that tenderers should submit to evidence how they would deliver the service and provides the criteria against which the bids were to be judged.

The scheme and scoring arrangements were set by the EADP staff team in line with Council procurement guidance. These are set out below:

- 1) **Overall approach** (Understanding of needs, Philosophy of care, Client experience)
- 2) **Accessibility and harm reduction** (How they would attract a wide range of people in need of the service. How they would engage those who are hard to reach. How they would deliver harm reduction for injectors, including the locations and times the service will be available)
- 3) **Service programme and interventions to be offered** (What interventions and approaches will be offered to people at each stage of recovery?)

- 4) **Methodology and organisation** (Staffing levels and allocation were asked for, line management arrangements, and reporting infrastructure)
- 5) **Staff quality** (How they would attract and retain highly skilled staff, proposals for training and supervision, including people with lived experience in the staff team)
- 6) **Offering a menu of supportive activities** (Running a group work programme and linking people into local activities)
- 7) **Organisational quality and strategic contribution** (How they would contribute to locality planning and joint working with key stakeholders, service development and Leadership, Equalities and Rights Impact Assessment , Service User Involvement and Carer Involvement)
- 8) **Implementation plan** (allocating staff, service continuity, managing TUPE)
- 9) **Community benefits**

**Further to 3.3:** Prior to the commencement of the procurement, incumbent providers had been given access to and had taken part in free of charge training courses to prepare for the process.

**Further to 3.4:** Bids were evaluated on an individual locality basis. The base locations of the new services in the individual localities were stipulated in the specification in respect of three of the four localities and are a continuation of the existing hubs model. All tenderers provided plans for implementing the new service and ensuring continuity of care. All non-incumbent tenderers confirmed that they were bidding on the basis that the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) applies.

**Further to 3.6 and 3.8:** The comparatively heavy weighting in favour of quality (70%), which is more than twice that of price (30%), reflects the importance of securing quality of service as an outcome of the procurement process. Indicative contract values for each locality were provided as part of the tender documentation and price was not a deciding factor in overall evaluations.

The breadth of the tendering organisations' experience was only considered if it was clear that it would improve the service they would deliver under the contract (i.e. stating what someone elsewhere in the organisation had achieved did not influence the evaluation unless there was clear evidence of how that would benefit the service in Edinburgh).

Further to 3.11: Lifeline Project is a charity with its Scottish base in Edinburgh and which already delivers a service in the city. Turning Point Scotland is the incumbent provider in the North East of the city.