

Finance and Resources Committee

10.00am, Thursday, 4 March 2021

Contract Extensions for Alcohol and Drugs Service Contracts

Executive/routine
Wards
Council Commitments

1. Recommendations

- 1.1 It is recommended that the Finance and Resource Committee:
 - 1.1.1 Approves the request to extend current Alcohol and Drug service contracts due to the impact of Covid19, from 1 April 2021 to up to 30th September 2022

Judith Proctor

Chief Officer, Edinburgh Integration Joint Board

Contact David Williams, Commissioning Manager, Edinburgh Alcohol and Drug Partnership

E-mail: david.williams@edinburgh.gov.uk | Tel: 07568130388

Contract Extensions for Alcohol and Drug Contracts

2. Executive Summary

- 2.1 This report seeks approval to extend the current Alcohol and Drug Support contracts for up to 18 months from 1 April 2021 to up to 30th September 2022. These contracts have an annual value of £2.175m and are provided by five Service Providers: Turning Point Scotland (North East Hub); Change, Grow Live (North West, South West and South East hubs); and Edinburgh and Lothians Council on Alcohol, Simpson House and Crew (Counselling services across the city). normal procurement has been delayed by COVID related pressures and extension would allow full and effective co production of future services.

3. Background

- 3.1 These are the core voluntary sector services offering support to adults with problematic Drug and alcohol use. They were awarded following a competitive tendering process in April 2015. The contract duration was three years with a possible extension of two further years. This extension was exercised after a very positive review of delivery (based on widespread consultation, case file audit and review of performance data) in 2018.

Current provider	Brief Contract Description	Annual value
Turning point Scotland	Adult Community Treatment Service (NE hub)	£ 521,520
Change Grow Live	Adult Community Treatment Service (NW, SE and SW hubs)	£1,023,759
ELCA (lead contractor), Simpson house and Crew	Counselling and Psychological Therapies Service	£629,850

4. Main report

- 4.1 By the contracts' end, officers need to complete a review of the current specifications, decide on the future needs in the drug and alcohol treatment system and appraise the options for securing them, then produce specs and re-tender. The co-production process planned for this is consultation with:

- 4.1.1 Current service users and carers;

- 4.1.2 managers of connected statutory sector services (and their teams),
 - 4.1.3 other key referrers and stakeholders (primary care, police, prison, acute medicine etc)
 - 4.1.4 consultation with current providers
and
 - 4.1.5 review of performance measures and demand
 - 4.1.6 review of strategic fit with current priorities and guidance
 - 4.1.7 decisions on contract form and duration (with procurement, potential providers and strategy colleagues)
 - 4.1.8 Decisions on how to procure the future contract (competitive tendering or other means)
- 4.2 It had been intended to review the contracts over the course of 2020, coproduce specifications for the services and to recontract from April 2021. However, this has been delayed by the challenge of COVID which has
- 4.2.1 stretched officer resource,
 - 4.2.2 occupied many of the key consultees and precluded normal consultation processes attempts at co production in other areas of service delivery have been frustrated by the requirements of lockdown
 - 4.2.3 created a very risky environment in which to potentially disrupt the management of essential services.
- 4.3 There is a competitive market of providers in the UK and in Scotland for these services. However, a legal challenge is considered unlikely given the circumstances (COVID, finite extension, demonstrably effective delivery).
- 4.4 Granting an extension to all current service providers would ensure;
- 4.4.1 Stability for service users currently being supported
 - 4.4.2 Sufficient time to meaningfully coproduce new documentation for future contracts,
 - 4.4.3 Sufficient time for potential providers to submit high quality tenders.
- 4.5 The duration of the requested extension is up to eighteen months, though the anticipated time required for the co-production and the re procurement is only one year. The additional time is included for two reasons:
- 4.5.1 Contingency planning: in the event of further disruption to the process
 - 4.5.2 It is desirable desynchronise the two contracts (hubs and counselling/ Psychological therapy services) in order to a) minimise disruption to our system of care caused by simultaneous changes of multiple services b) manage pressure on officers and evaluators. To achieve this there needs to be sufficient time available for one contract to be completed six months

before the other. This intention was formed before COVID based on reflection on the previous tendering process.

5. Next Steps

- 5.1 Subject to approval, waivers will be granted, and contract extension documentation will be prepared and issued to all three current service providers to cover 1 April 2021 to 30th September 2022.
- 5.2 In line with the Procurement (Scotland) Regulations 2016, the Council will procure new contracts.
- 5.3 Current monitoring of all Alcohol and Drug Support contracts will continue in order to ensure best value and accountability of public funds, including achievement of key performance indicators.

6. Financial impact

- 6.1 The value of extending these contracts (as detailed above) is £3,782,307 over 18 months. The tendering process is not focussed on reducing costs, but on compliance with regulations and assuring that the maximum quality is maintained. Delay in the retendering does not, therefore, pose any direct financial threat.

7. Stakeholder/Community Impact

- 7.1 The outcome of awarding these contract extensions would be to ensure future contracts will be coproduced and procured during a timeframe that promotes meaningful engagement.

8. Background reading/external references

- 8.1 There is no background reading.

9. Appendices

- 9.1 None.