

Report to:	Cabinet	Date of Meeting:	2 December 2021
Subject:	Substance Misuse Residential Rehabilitation Programme (Dynamic Purchasing System)		
Report of:	Director of Public Health	Wards Affected:	(All Wards);
Portfolio:	Cabinet Member - Health and Wellbeing		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

To report key findings of a review of current commissioning arrangements for Substance Misuse Residential Rehabilitation Programmes for the residents of Sefton and seek authorisation to commence a procurement process and continue to utilise a Dynamic Purchasing System for placements.

Residential Rehabilitation is part of the local integrated treatment and recovery offer for substance users. Substance use treatment services have been central to sustaining low rates of HIV, injecting related infections and other drug and alcohol related harm. There is a strong body of evidence confirming that investment in drug and alcohol treatment is cost effective. While the health and social harms caused by substance use disproportionately affect the most disadvantaged in society, research continues to show a positive association between effective engagement with substance use treatment and a reduction in harm, crime and criminal activities associated with illicit substance use.

Consideration is now required on re-procuring Residential Rehabilitation Programmes as the current extension term expires on the 31st March 2022.

Recommendation(s):

- (1) Authorise the Director of Public Health to conduct an OJEU Light-Touch Regime tender exercise to establish a Dynamic Purchasing System for substance misuse Residential Rehabilitation to run for a period of three years from 1st April 2022 with the option of two further one-year extensions with a ceiling price of £270,000 per annum; and
- (2) Delegate authority to the Director of Public Health in consultation with the Cabinet Member – Health and Wellbeing to award the contracts to the highest scoring bidders, within the context of the approved budget.

Reasons for the Recommendation(s):

Residential Rehabilitation is an integral part of any drug treatment and recovery

system and a vital option for some people requiring treatment for dependency to substances. A recent review of the service has demonstrated there is a need for Residential Rehabilitation placements, and this is ongoing. During 20/21 and the first 6 months of 21/22 the demand for placements has virtually doubled since 19/20.

Effective substance use treatment and recovery requires a range of referral pathways and services collaborating to optimise the effect of treatment interventions. Individual stability and progress in recovery is dependent on stability in the treatment system. In line with calls from National Advisory Councils, the recommendation provides scope for longer contract duration and a greater degree of stability and continuity.

A Dynamic Purchasing System (DPS), as provided for within the 2015 Public Contracts Regulations, will enable Sefton Council to ensure that fair and transparent commissioning arrangements are in place while enabling an individually tailored programme appropriate to the individual's needs and requirements. The key advantage of a DPS, is that the applicable legislation allows the Council to open the DPS to new applicants at points during its lifespan. This therefore gives the Council the flexibility to take advantage of beneficial changes within the marketplace which may take place over time.

Alternative Options Considered and Rejected: (including any Risk Implications)

To have no provision for Residential Rehabilitation. For those who have undergone a programme of treatment and detoxification and have not responded to community rehabilitation, residential rehabilitation programmes provide the opportunity for sustained recovery in a safe and therapeutic residential setting. The necessity for Residential Rehabilitation is more likely for complex clients and increases the likelihood of successful treatment outcome.

To establish a Framework Agreement for commissioning Residential Rehabilitation Programmes. Whilst a Framework Agreement would comply with procurement rules, it does not give the degree of flexibility required to remain responsive to on-going change, as importantly, new providers to the market are prevented from joining a Framework Agreement at any point during its lifespan, usually 4 years.

To "Spot Purchase" as and when Residential Rehabilitation is required. Spot Purchasing requires considerable time to identify and negotiate suitable placements and provides for less transparency and ability to benchmark costs. Also, spot purchasing placement tariffs are often subject to higher costs.

A DPS would enable longer-term contracts to be entered into with a range of approved Residential Rehabilitation Providers providing more service stability and better value in the contract cost.

What will it cost and how will it be financed?

(A) Revenue Costs

There are no additional costs. The current budget for Residential Rehabilitation Programmes is £270,000 per year. The DPS will ensure that the cost of any placement is

agreed in advance and will help the Council to allocate and manage placements more effectively. To control risk in terms of affordability of the future programmes, an indicative ceiling price of £270,000 across the whole programme will be set out in the tendering process and ceiling prices relating to levels of service provided as described in the service specification. The cost of the programmes will be met from within the Public Health budget allocated for substance misuse.

(B) Capital Costs

There are no additional capital costs.

Implications of the Proposals:

A Dynamic Purchasing System will provide an open and equitable system for service providers. All service providers will be able to apply to be part of the Dynamic Purchasing System based on their ability to deliver services to a clear service specification and within an agreed duration and cost.

The Adult Social Care Substance Misuse Assessment Team will be able to better match individual needs and requirements to an appropriate and effective placement – increasing individual choice, improving prospects for on-going recovery and cost-effective treatment outcomes.

Residential Rehabilitation provides those individuals who require it a greater chance of a successful treatment outcome and recovery.

Resource Implications (Financial, IT, Staffing and Assets): All cost associated with this procurement will be met from the Public Health budget allocation for substance use.	
Legal Implications: None	
Equality Implications: There are no equality implications.	
Climate Emergency Implications: The recommendations within this report will	
Have a positive impact	N
Have a neutral impact	Y
Have a negative impact	N
The Author has undertaken the Climate Emergency training for report authors	N
The proposal to utilise a Dynamic Purchasing System for Residential Rehabilitation Placements will have a neutral impact on the climate emergency. It is a re-procurement of existing Public Health commissioned service which does not generate additional impacts on the climate emergency.	

Contribution to the Council’s Core Purpose:

Protect the most vulnerable: Investment in drug service interventions to support Sefton residents effected by substance misuse.
Facilitate confident and resilient communities: Investment in drug service interventions to support communities from the direct and indirect impacts of substance misuse.
Commission, broker and provide core services: The Dynamic Purchasing System provides a mechanism for commissioning Residential Rehabilitation Placements for Sefton residents.
Place – leadership and influencer: Not applicable
Drivers of change and reform: Not applicable
Facilitate sustainable economic prosperity: Not applicable
Greater income for social investment: Not Applicable
Cleaner Greener: Not applicable

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.6601/21) and the Chief Legal and Democratic Officer (LD4802/21) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Not Applicable

Implementation Date for the Decision

Immediately following the Committee / Council meeting.

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Appendices:

The following appendices are attached to this report:

Background Papers:

There are no background papers available for inspection.

1. Introduction/Background

- 1.1 Residential Rehabilitation is an integral part of any drug treatment and recovery system and a vital option for some people requiring treatment for dependency to substances.
- 1.2 Dependent drug and alcohol users typically present to services with a range of complex physical, emotional, psychological, and psychiatric health problems. Effective treatment and recovery requires a range of services and interventions including specialist clinical services, medically assisted detoxification programmes, psychosocial interventions, mutual aid and residential rehabilitation programmes.
- 1.3 Sefton's Integrated Substance Misuse: Assessment, Treatment and Recovery Service provide a care pathway approach to treatment and recovery in which community rehabilitation is the first line offer where appropriate and clinically safe.
- 1.4 For those who have undergone a programme of treatment and detoxification and have not responded to community rehabilitation, residential rehabilitation programmes provide the opportunity for sustained recovery in a safe and therapeutic residential setting. The presence of health and social care complexity including dual diagnosis (substance misuse and mental ill health), physical disability, home and personal circumstances and/or Alcohol Related Brain Damage (ARBD) are likely to increase the necessity for a residential rehabilitation placement and the likelihood of successful treatment outcome.
- 1.5 Eligibility for Residential Rehabilitation Programmes is determined by the Adult Social Care Substance Misuse Assessment Team who carry out full social care assessment of need compliant with Care Act requirements and equality to access legislation. Residential placements are matched to individual need based on assessment and clinical review from specialist substance misuse treatment providers. Once agreed placements will be funded, initially for a period of three months, from a fixed annual public health budget.

2. Review and Service Developments

- 2.1 A recent review of substance misuse residential rehabilitation placements has demonstrated a good rate of completions: overall, the percentage of planned exits over this period was 78% (June 2019 and March 2021.) This compares with a national rate of planned discharges between 20% and 60%.
- 2.2 In 19/20, there were 34 admissions, but this rose to 64 in 20/21 and this increase has been sustained with 33 placements in the first 6 months in 21/22. The number of admissions has increased in line with the impact of COVID-19 which may be the result of behaviour change and greater vulnerabilities during the pandemic.
- 2.3 Like many areas, Sefton has an ageing treatment population and experiences significantly high levels of drug and alcohol related harm. Sefton has higher than

average rates of drug related deaths, higher than average rates of hepatitis C and alcohol related mortalities and emergency hospital admissions for alcohol related liver disease above the national average.

- 2.4 Evidence from the National Treatment Agency for Substance Misuse; *The Role of Residential Rehabilitation in an Integrated Treatment System (2012)* suggests that the best performing rehabilitation programmes do well with complex service users who often do not benefit from community rehabilitation programmes. Moreover, Residential Rehabilitation Programmes are more successful at retaining residents with severe alcohol dependency and chronic alcohol related problems.

3. Developing a Dynamic Purchasing System

- 3.1 Residential Rehabilitation providers will be invited to join the Dynamic Purchasing System where they can demonstrate to commissioners and social care their ability as a provider to deliver against a service specification with a fixed price for groups of similar case mix and complexity. This will cut down on any placement negotiation time and enable Public Health and the Adult Social Care Assessment Team to benchmark provision against other Local Authorities leading to greater efficiencies and savings. Sefton Council Procurement Team will ensure open and transparent communication to all interested providers via the Chest while the benefits of a Dynamic Purchasing System over a single commissioning framework means that the Dynamic Purchasing System can be opened to include additional providers and services as need and requirements change.

4. Procurement Process

- 4.1 The Procurement Timetable is in place with provision for contract award in Feb 22
- 4.2 The basis of the tender evaluation will be Most Economically Advantageous Tender (M.E.A.T.) taking into consideration a percentage balance between Cost and Quality
- 4.3 To control risk in terms of affordability of the future service, an indicative ceiling price will be set in the tendering process, informed by the service review referred to within this report.
- 4.4 It is proposed that at the end of the procurement process, a three - year contract with the option to extend for up to a further two years will be entered into with provider(s). This should maintain service stability and better value for money.