

---

<b>Report to:</b>	Cabinet	<b>Date of Meeting:</b>	27 <sup>th</sup> March 2014
<b>Subject:</b>	Twelve Month Extension for Merseycare Contract	<b>Wards Affected:</b>	All
<b>Report of:</b>	Director of Public Health		
<b>Is this a Key Decision? Exempt/Confidential</b>	Yes  No	<b>Is it included in the Forward Plan?</b>	Yes

---

### **Purpose/Summary**

That Cabinet agrees to waive Contracts Procedure Rules and authorises a twelve month contract extension of the existing contract with Merseycare for delivery of the residential clinical detox and rehabilitation substance misuse service. This would be an extension from the 1<sup>st</sup> April 2014 until 31st March 2015 to the current contract with the same terms and conditions.

Currently there are several contracts for substance misuse services which are within the remit for the Substance Misuse review. Establishment Control Panel has recently approved the procurement of external Independent Support for the Substance Misuse Review. The review is essential to fully understand what services would be required and commissioned for Sefton's population. This service is required to provide tier 4 residential clinical detox and rehabilitation services.

At this time it would be unlikely that this specialist service could be ceased and unavailable to Sefton residents during the review and re commissioning. There are no alternative local providers for clinical detoxification; and the nearest in Manchester is even more expensive. If there were no contract in place there would be a requirement to spot purchase this service which would be more expensive.

During the extension period the providers will be requested to work with the council to identify further cost efficiencies wherever possible.

The service review will inform the future needs relating to this service. Due to the annual contract value of £510,522 per annum, the review will also identify a Procurement Pathway to secure future service provision. Current provision is provided at two clinics, the Kevin White Unit and Winsor Clinics.

### **Recommendation(s)**

That Cabinet agrees to waive Contracts Procedure Rules and authorises a twelve month contract extension for the existing Merseycare Substance Misuse contract for the delivery of residential detox and rehabilitation

## How does the decision contribute to the Council's Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community	√		
2	Jobs and Prosperity	√		
3	Environmental Sustainability		√	
4	Health and Well-Being	√		
5	Children and Young People	√		
6	Creating Safe Communities	√		
7	Creating Inclusive Communities	√		
8	Improving the Quality of Council Services and Strengthening Local Democracy	√		

### Reasons for the Recommendation:

This is due to:

- The current contracts are due to expire on the 31<sup>st</sup> March 2014.
- The contracts are part of the Substance Misuse Review
- 12 months contract extension would allow for the review to be completed, the services revised and or re commissioned and mobilisation successfully accomplished.

### Alternative Options Considered and Rejected:

This service is required to provide tier 4 residential clinical detox and rehabilitation services. At this time it would be unlikely that this specialist service could be ceased and unavailable to Sefton residents during the review and re commissioning. There are no alternative local providers for clinical detoxification; and the nearest in Manchester is even more expensive.

It is hoped that following the review and another 12 months of performance monitoring we would be in a position to understand the full cost and outputs for the service and commission them for a reasonable length contract.

### What will it cost and how will it be financed?

#### (A) Revenue Costs

The cost of the new contracts will be met from within the Public Health budget allocated for this purpose. The current annual contract value is £510,522. The cost of the MerseyCare contract extension would be £510,522 and this would be contained within the existing budget allocated for Substance Misuse.

**(B) Capital Costs**

During the extension period the Provider will be requested to make cost efficiencies ,as appropriate, following review outcomes.

**Implications:**

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<b>Financial</b>	
<b>Legal</b> Possible risk of challenge form aggrieved provider who has not been given an opportunity to deliver this service comprising the extension	
<b>Human Resources</b>	
<b>Equality</b>	
1. No Equality Implication	<input type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

**Impact of the Proposals on Service Delivery:**

There would be minimal impact on service delivery for the contract extension.

**What consultations have taken place on the proposals and when?**

The Head of Corporate Finance and ICT has been consulted and her comments have been incorporated in the report (FD.2820/14.) and Head of Corporate Legal Services (LD2126/14 ) have been consulted and any comments have been incorporated into the report.

**Implementation Date for the Decision**

Following the expiry of the “call-in” period for the Minutes of the Cabinet Meeting

**Contact Officer:** Sarah Austin  
**Tel:** 0151 934 3293  
**Email:** sarah.austin@sefton.gov.uk  
**Background Papers:**

None

## **1. Introduction/Background**

- 1.1 As part of the review of substance misuse services it has been identified that the capacity to undertake this review internally is lacking and therefore funding has been set aside to enable an external independent agency to take this work on. The procurement of external Independent Support for the Substance Misuse Review has been approved by the establishment control panel. The aim of this procurement is to secure a person/persons with a good understanding of drugs and alcohol services along with knowledge of the frameworks governing substance misuse to advise the Council on an evidence based model that would meet the needs of Sefton's population best and would also give us assurance that it provides good value.
- 1.2 The aim of the review is to provide the strategic leads within the council with a comprehensive report including robust assurance of the following:
  - The service model we have in place is evidence-based and able to meet the changing needs of our population
  - The model has a focus on prevention of substance misuse and a reduction of drug related harm
  - The model will provide value for money
  - The service is underpinned by good governance and accountability
  - Frameworks for risk management are in place and risks are reported and managed effectively
- 1.3 The review is essential to fully understanding what services would be required and commissioned for Sefton's population. It is aimed that the review will be completed by the end of May 2014 and the commissioners would be in a position to reconfigure or re commission the Merseycare contract.
- 1.4 Merseycare currently delivers residential detox and rehabilitation for both alcohol and drugs. The contract is due to expire March 2014. Currently there are 1-2 patients at any one time in the Kevin White Unit (KWU) and Winsor Clinics. Patients tend to stay on average 4-6 weeks in the KWU and 2-4 weeks in the Winsor.
- 1.5 During the extension period the providers will be requested to work with the council to identify further cost efficiencies wherever possible.