Sunderland City Council

Item No. 11

CABINET MEETING – 11 MARCH 2015

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Procurement of Sunderland Integrated Substance Misuse Service

Author(s):

Executive Director of People Services and Assistant Chief Executive

Purpose of Report:

The report provides detail of the forward plan for substance misuse treatment and prevention services and seeks authorisation to commence procurement of core elements of the service.

Description of Decision:

It is recommended that members agree to the procurement of a Sunderland Integrated Substance Misuse Service following relevant revisions to the specifications which incorporate lessons learned and any relevant changes in legislation and guidance, as described in the report and authorise the Director of Public Health to appoint the appropriate service provider once the tender evaluation process has been completed.

Is the decision consistent with the Budget/Policy Framework? **Yes**

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

To enable the continuation of services following the end of main contracts in July 2015 and incorporate lessons learned from the previous implementation to enable better outcomes for service users, families and carers.

Alternative options to be considered and recommended to be rejected:

- Continue with current services.
- Continue with elements of current services, whilst re-commissioning one or more of the others.

Impacts analysed;

Equality **Privacy** **Sustainability** **Crime and Disorder**

Is this a "Key Decision" as defined in the Constitution? Yes Is it included in the 28 day Notice of Decisions? Yes	Scrutiny Committee:

CABINET – 11 March 2015

PROCUREMENT OF SUNDERLAND INTEGRATED SUBSTANCE MISUSE SERVICE

Report of the Executive Director of People Services and the Assistant Chief Executive

1. Purpose of the Report

The report provides detail of the forward plan for substance misuse treatment and prevention services and seeks authorisation to commence procurement of elements of the service.

2. Description of Decision (Recommendations)

It is recommended that members agree to the procurement of the Sunderland Integrated Substance Misuse Service following relevant revisions to the current service specifications which incorporate lessons learned and any relevant changes in legislation and guidance, as described in the report and authorise the Director of Public Health to appoint the appropriate service provider once the tender evaluation process has been completed.

The functions of the model in question are:

- Care management
- Clinical interventions
- Psychosocial Interventions
- Specialist Harm Reduction

The revised model will have the following key characteristics:

- Functions will be procured within one contract that may be applied for by a single provider or a consortium. Following authorisation, it is intended that procurement processes will begin in March 2015, with a view to commencing services from 01 August 2015.
- The budget for these services will be retained at the same level (£3.079m) as the previous rationalisation of services and re-procurement brought about a considerable saving of 30%.
- Payment By Results metrics will be retained to help focus providers on outcomes, though utilizing a simplified model and with a maximum value of 15% of the overall contract value.
- Providers will be required to provide clear plans relating to how they will help ensure that opiate users are supported towards recovery.
- Premises will be sought independently of the contractors to ensure full co-location of functions and coverage of all Sunderland localities.
- Levels of staffing will be more clearly specified, following accurate stratification of the current treatment population and their needs
- Full integration of information systems will be mandated within the contract to enable a single client record.
- An over-arching brand for the service will be established and mandated for its use to help ensure that services are visible and clearly identifiable.
- A clear matrix stratifying client need must be included to ensure that expectations are clear for high, medium and low complexity cases.

Alongside this process, the specification for the Youth Drug and Alcohol Project (YDAP) will be reviewed and updated to ensure it continues to perform well, effectively delivers a preventative approach to substance misuse integrates practice with the adult services.

3. Introduction/Background

As members will be aware, services for the treatment of substance misuse amongst adults in Sunderland were re-commissioned in during 2013 against a revised model. Contracts for the services were let for 2 years, with the potential to extend for a further year pending acceptable performance.
The contracts for the service were divided into four lots which reflect National Institute for Clinical Excellence (NICE) guidance in relation to interventions that are recommended for the treatment of substance misuse. Providers were enabled to apply for any number of the four lots and they were awarded as follows:

- Lot 1 – Recovery Pathway (Turning Point)
- Lot 2 – Clinical Interventions (Counted4 CIC)
- Lot 3 – Specialist Harm Reduction (Lifeline)
- Lot 4 – Psychosocial Interventions (Lifeline)

The main indicator that is used to demonstrate the performance of these services regards levels of successful completion of treatment as well as levels of subsequent re-presentation to treatment. One of the key objectives of the revised model of delivery was that successful completions for Opiate users would increase – this is due to the nationally recognised high numbers of opiate users that have been in drug treatment for extended periods.
However, completions of treatment for opiate users have not improved throughout the 2014/15 year. This follows a decline from the previous year.
These performance issues, as well as a number of others associated with them (for examples, reports of excessive waiting times in some cases) prompted the commissioning of an independent review in May 2014 to assess progress in detail following the early months of implementation and highlight areas for improvement.
The review was followed by a number of improvement initiatives that were overseen by the commissioning team. Whilst the actions carried out following the review have brought about some improvements, including more rapid access to treatment and better completion rates in some areas (mainly alcohol), sufficient improvement in relation to opiate completions has not made.
As a result, the Substance Misuse Joint Commissioning group was unable to recommend that the third year of the contracts be utilised and therefore that they should be re-procured. Additionally, as the various lots within the service design are interdependent and together form a single pathway, the group recommended that all of the contracts should be re-procured at the same time. This recommendation was made to the Safer Sunderland Partnership Board and agreed.

Additionally, the Director of Public Health requested that Public Health England (PHE) provide support to the Council by carrying out a rapid assessment of the Sunderland Adult Drug and Alcohol Treatment system between December 2014 and January 2015 to provide further insight into current delivery and provide relevant recommendations for improvement.
The Safer Sunderland Partnership Board also endorsed the recommendation to establish a Substance Misuse Improvement Board that would oversee improvement activities in relation to the work area. This was established and met for the first time on 12 February 2015 to take stock of lessons learned to date and consider key issues required to help bring about an improved approach to delivery of treatment and prevention of substance misuse. It also considered the recommendations of the PHE report which was completed in January.

The Substance Misuse Service Improvement Board (which includes Cabient members, key officers and partners including Public Health England) will oversee the progress of the work stream until completion.

4. Current Position

Whilst there are no major omissions identified from the model and its design is representative of recommended interventions, however there are a number of lessons learned from this implementation. These must be incorporated into revised specifications and procurement approaches to mitigate against issues that have previously been experienced with service delivery.
Additionally, it is recognised that Young Peoples' substance misuse treatment services and the prevention agenda were not considered within the scope of the previous changes to services. Consideration of this area must be made to ensure that a lifecourse approach is adopted.
The main lessons learned are summarised as follows. These have been derived from the PHE review, input from commissioners, input from providers and input from service users, families and carers:

- Use of a Lot structure for contracts – whilst this approach ensured that is was possible for service provision to remain diverse (within the model specified), it did not enable providers to form firm consortia for the delivery of the system prior to award. This placed additional pressure on the mobilisation period and led to disagreement amongst provider in terms of how the contracts should be implemented in an integrated manner. As a result, there has been an overall sense that the services to not operate 'as one'.
- The lot structure also had the effect of restricting flexibilities in use of resources within the overall system – as different parts were contracted to different providers, it was less easy to make re-allocations from one to the other to help meet demand.
- The lot structure has also meant that only some parts of the system are registered with the Care Quality Commission, rather than the service as a whole. This has meant that some are subject to external inspection and regulation, whilst others are not. This is unhelpful where the services are designed to operate as an integrated whole.
- Implementation of Payment by Results, whilst recognised by commissioners, service users and providers as helpful in sustaining focus on key performance areas, it has also had some negative effects – in some cases compromising relationships amongst providers, as well as between providers and commissioners.
- Services need to be more visible and their roles clear to clients and other stakeholders, otherwise confusion arises in relation to how to access them and what they offer. Additionally, services need to be actively sold to their users.
- Service user involvement must continue to form a key part of future systems design, as

well as assessment of the effectiveness of current delivery.

- Mobilisation of any new model should include work to focus specifically on building relationships between providers and promoting joint working.
- Though an overall vision for the service was consulted upon and formed the basis for the design of the service, providers have stated that they did not feel that the implementation of the service demonstrated a shared vision and shared ownership.
- Greater assurance of staffing levels, professional qualifications and competency is required to ensure that demand will be adequately met via structures proposed by providers and supervision arrangements are fully clarified – as significant data cleansing has taken place of the last year of implementation, a far clearer understanding of demand is now available (in particular relating to alcohol treatment, which had been historically under-reported).
- Minimum standards for staff competencies should be more strongly linked to performance frameworks to ensure that providers report more regularly and transparently in relation to the workforce.
- Although they are not statutory services, substance misuse services are becoming increasingly involved in safeguarding and public protection cases and have a very significant role to play in them (sometimes being the only agencies engaging with high risk individuals) – therefore, it is necessary to ensure that the workforce is both generally enabled to deal with safeguarding and complex case issues and incorporates mechanisms to manage complex cases where necessary. Additionally, it is necessary to establish in detail the level of need in relation to safeguarding and complex needs to ensure that the workforce specified for the services will successfully manage it.
- The presence of combined mental health and substance misuse issues continues to be common in complex cases – therefore, more integrated working with Mental Health services and better training of the Subtance Misuse workforce is required to help manage that type of demand.
- Clearer clinical governance arrangements are required across all providers, ensuring that lines of accountability to safeguarding and NHS systems are fully established.
- Levels of interventions required for each client and their associated needs should be better stratified to ensure that levels of staffing and competency can be better anticipated and specified.
- Some disputes in relation to implementation of the contracts have continued on un-resolved and hampered progress, therefore dispute resolution procedures should be reviewed to ensure that these are more rapidly resolved
- Innovative and assertive approaches are required to ensure that opiate users in treatment are fully engaged with interventions that will help them towards recovery and increase overall recovery rates within that group.
- Increased access to structured psychosocial interventions (particularly amongst alcohol users) has produced a more evidence based balance of delivery and is beginning to show gains in successful completions – however, sufficient capacity must be in place to sustain these improvements

- Information technology – the service design was built around use of a single information system, yet this has not been fully achieved as clinical work (in particular prescribing) remains recorded via an additional system. Whilst this is workable and represents an improvement on previous arrangements it has inhibited effective communication in some cases.
- Co-location of services – again, fully effective implementation of the service design required co-location of all functions to ensure that service users could effectively access each intervention. As this has only happened in some cases, this has restricted the efficiency of the services and impacted service user experience. Additionally, better cover of all areas of Sunderland is required.
- Addition of service requirements following award of contracts – whilst the specifications were widely consulted upon with stakeholders, some emerging requirements have been raised by partners (in relation to Criminal Justice Interventions and testing for Child protection) which have significant resource implications.
- New commissioning guidance in relation to responding to the on-going emergence of legal highs has been published (November 2014) – this provides guidance across the life course and must be incorporated into planning for the coming year.
- The Sunderland Intelligence Hub has been introduced earlier this year – there may be ways of linking intelligence from substance misuse services via the hub, to better understand demand.

The following describes the changes that have been identified as necessary for future specifications and procurement approaches to ensure that the lessons learned above are incorporated into future delivery of services.

- In order to better enable effective consortia approaches and integrated delivery of services, separate Lot contracts will be amalgamated into a single one which maintains all relevant and evidence based functions and is registered as such with the Care Quality Commission.
- Payment by Results can be retained as a means of ensuring accountability and a focus on outcomes, though is must be simplified and restricted to a level <=15% of contract value to ensure it does not have adverse effects.
- Providers must utilise a single brand or identity for the service, as well as effectively market it to users and other stakeholders to ensure that it is clearly identifiable and understood.
- Service designs and ongoing delivery must be validated by talking to service users and their families.
- When tendering and later mobilising, providers must be required to provide more detailed plans of staffing structures, based on existing reliable levels of overall demand. Additionally, this must include management of the level of safeguarding and public protection cases that the service will be involved with to enable effective planning of the workforce for that area. Therefore accurate profiling of demand which is based on timely data must be made available with tender packs. Also, performance frameworks must include the requirement to provide regular information relating to the workforce.
- Clinical governance arrangements must also be linked to performance frameworks to provide ongoing evidence of their implementation.
- Specifics plans must be requested from potential providers to demonstrate their approaches to engaging opiate users in recovery based treatments.
- Continued improved access to evidence based psychosocial interventions must be retained within the model to ensure greater capacity.
- The requirement to implement a single service user record, using a single information system must be retained, backed up by clear timelines for implementation and linked to performance frameworks

- Premises must be sought independently of contractors to ensure that co-location is achieved and all Sunderland localities are covered to an acceptable level.
- Service specifications must be fully reviewed to ensure consistency with new guidance including responses to legal highs and treatment resistant drinkers.
- Liaison with Intelligence Hub team to help ensure that effective and properly governed intelligence exchange can be made possible from substance misuse services and the that hub team may be included in drafting specifications to this effect

5. Reasons for the Decision

The recommendation to procure these services is based on the following:

- **Incorporation of lessons learned from previous model of services** – Following analysis of lessons learned it is felt that the proposed changes to the service model respond to the key lessons learned from the previous model of services and aim to minimise risk of further performance issues.
- **Persisting and Increasing Demand for Services** - it is clear that Health Inequalities continue to persist between Sunderland and the rest of England, as well as within Sunderland itself. Therefore it is necessary to ensure that the offer in relation to improving healthy lifestyles remains robust and in line with prevailing evidence bases. Therefore the model has been developed to embody the principle of proportionate universalism and help enable everybody in Sunderland to have a healthier lifestyle whilst also assertively reaching out to those in most need.
- **Contracting / procurement requirements** - current contracting arrangements for a number of Healthy Lifestyle services commissioned via the Public Health budget enable extension of contracts to the end of the 2014/15 period, though beyond that it is necessary to ensure that services are procured in line with guidance.

6. Alternative Options

The main alternative options to carrying out the procurement based on the model described are:

- **Do nothing** – this would enable current services to be left to run as they do so now. However, this is not felt to be an option because it is clear that they are not performing in a way which enables people to recover from substance misuse in sufficient numbers. Additionally procurement requirements mean that current contracts will expire on 31 July 2015 – without the use of the optional 1 year extension they must be re-procured.
- **De-commission existing services (without replacement)** – this is not felt to be an option as the council receives a ring-fenced budget for the delivery of Public Health functions in relation to adult drug and alcohol and youth drug and alcohol services. The planned model (or other potential model) provides a method to help deliver a wide range of these functions. Additionally, there are in excess of 1600 clients accessing structured treatment services at present who would have no replacement service.
- **Procure to a different model / consult further** – this would be applicable if the model did not provide a viable response to the lessons learned from previous implementations and service models and was not responsive to service user and carer feedback. However, it is felt that the model has been systematically tested against lessons learned and service user and carer feedback.

7. Impact Analysis

7(a) Equalities – Equality Impact Analysis is provider at Appendix 1.

7(b) Privacy Impact Assessment (PIA) – All data protected for the purposes of the service must be stored and utilised in line with the Data Protection Act.

7(c) Sustainability – The services seen to have a positive impact in the following areas:

- Stimulate economic growth in Sunderland (e.g. by using local suppliers, creating employment for Sunderland residents)
- Closing skills gaps and support those currently workless into employment in Sunderland
- Improving life expectancy of Sunderland residents to match the national average
- Improving the emotional health and wellbeing of all residents
- Supporting people to live independently
- Improving healthy lifestyles of residents, through exercise, and reducing both alcohol misuse and smoking

7(d) Reduction of Crime and Disorder – Community Cohesion / Social Inclusion –

The service contributes to the reduction of Crime and Disorder by helping to reduce drug and alcohol related crime, as well as supporting people to recover from addictions and re-integrated into society and play a fuller role

8. Other Relevant Considerations / Consultations

(a) Financial Implications / Sunderland Way of Working – The Director of Finance has been consulted on the financial commitment made within this report. As efficiencies have already been made in this area, it has been agreed to retain the budget at its current level.

(b) Risk Analysis - All work streams associated with the procurement and implementation of the service will be subject to risk analysis before being undertaken.

(c) Employee Implications – The Director of Human Resources and Organisational Development will be consulted where any employee implications are identified within the commissioning plan.

(d) **Legal Implications** – The Head of Law and Governance has been consulted to ensure that there is legal basis for each of the proposed work streams and that the funding commitments required to deliver the associated services has been considered in a formal and structured way.

(e) **Implications for Other Services –** proposals within the plan have been shared with EMT to ensure that implications for other services and improved integration of services may be assessed.

(f) **The Public –** commissioning activities described within the paper will be informed by engagement of services users and the public.

(g) **Children's Services** – proposals within the plan have been shared with EMT to ensure that implications for other services and improved integration of services may be assessed – including children's services.

(h) **Procurement** – potential procurement plans have been shared with the Corporate Procurement team.

9. Glossary

PHE – Public Health Englane
YDAP – Youth Drug and Alcohol Project
NICE – National Institute for Clinical Excellence

10. List of Appendices

Appendix 1 – Equality Impact Analysis