

Subject:	Outcomes from the Adult Drug and Alcohol Recovery Procurement Process - Extract from the Proceedings of the Health & Wellbeing Board meeting held on 14 October 2014		
Date of Meeting:	16 October 2014		
Report of:	Monitoring Officer		
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Wards Affected:	All		

FOR GENERAL RELEASE

Action Required of the Policy & Resources Committee:

To receive the item referred from the Health & Wellbeing Board for approval:

Recommendation:

- (1) That the Policy & Resources Committee be recommended to award the Adult Drug and Alcohol Recovery Service contract to Cranstoun as the lead provider in the Pavilions Partnership at a value not exceeding £15.6m over a three year period, subject to the Director of Public Health being satisfied about the detailed delivery arrangements; and authorises the Director of Public Health to award this contract upon being satisfied as to the delivery arrangements, and to take all necessary steps in connection with the letting of the contract.
- (2) That the Policy & Resources Committee be recommended to further grant delegated powers to the Director of Public Health to extend the contract at the end of the three year term, with the potential to extend the contract for a further two years if he deems it appropriate

HEALTH & WELLBEING BOARD**4.00pm 14 October 2014****Council Chamber, Hove Town Hall****DRAFT MINUTES**

Present: Councillor J Kitcat (Chair), Councillor K Norman (Opposition Spokesperson), Councillors Jarrett, Morgan and G Theobald, Dr. Xavier Nalletamby, CCG, Geraldine Hoban, CCG, Dr Christa Beesley, CCG, Dr Jonny Coxon, CCG, Dr George Mack, CCG, Brian Doughty, Head of Adults Assessment (for Statutory Director of Adult Social Care), Dr. Tom Scanlon, Director of Public Health, Pinaki Ghoshal, Statutory Director of Children's Service, Frances McCabe, Healthwatch, Graham Bartlett, Brighton and Hove Local Safeguarding Children's Board, and Fiona Harris, NHS England

Also in attendance: Penny Thompson, Chief Executive, BHCC.

PART ONE**Outcomes from the Adult Drug and Alcohol Recovery Procurement Process****Introduction**

- 33.1 The Board considered a report of the Director of Public Health which reminded members that in July 2013, the Policy & Resources Committee agreed for Public Health to commence the procurement process for the new Adult Drug and Alcohol services contract with a greater focus on recovery. The report described the procurement process that had led to the preferred bidder (Cranstoun as the lead provider in the Pavilions Partnership) being recommended for approval by the Health & Wellbeing Board and Policy & Resources Committee. The report was presented by the Consultant in Public Health Medicine/Deputy Director of Public Health and the Strategic Commissioner, Public Health.
- 33.2 The Deputy Director of Public Health stressed that extensive consultation had been undertaken to support the development of the new recovery focused service specification. The aim was to build on existing good practice and to have an outcome based specification. The specification did not include the contracts for in patient detoxification beds and residential rehabilitation. Evaluation of the bids had looked at quality, cost and partnership working. The Pavilions Partnership was led by Cranstoun as the lead provider and the focus would be on recovery.

- 33.3 If Policy and Resources Committee agreed the recommendations on 16th October, there would be a mobilisation period until April 2015, to enable the commissioner and the partnership to develop a robust and clear implementation plan taking account of changes for service users. The cost effective delivery model would complete a process that made approximately 8% savings to the Public Health budget.

Questions and Discussion

- 33.4 Councillor Morgan stressed that the City topped the drug death league table and saw above average levels of alcohol related health and community safety issues. Helping people deal with addiction and dependency was hugely important. Councillor Morgan recognised that the bid recommended for approval mirrored the existing NHS/voluntary mix, but had real concerns about the proposals for the service.
- 33.5 Councillor Morgan raised concerns and questions about the following areas.
- The potential loss of local expertise and knowledge in the delivery of services. Why was there a recommendation to approve a bid from a Trust and charity from out of the area?
 - Why was the potential disruption to the service, staff and service users not factored in to the scoring system used to award the contract to employers from outside of Sussex?
 - Why were the views of service users and local voluntary organisations not taken into account? Is there a risk that without more detail on the TUPE process, staff will inevitably start to look for other jobs as they won't want to move to a voluntary organisation where their terms and conditions can be changed after a year and where their union won't be recognised? This will lead to a major loss of local knowledge and experience.
 - If the proposed new service is judged to be different to the existing SPFT one in terms of treatment and recovery, is there a risk that TUPE will be judged not to apply, with SPFT then being faced with a potential redundancy bill of hundreds of thousands of pounds? Would this not impact hugely on the local health economy?
 - Should there not be a more thorough impact assessment undertaken before this decision goes ahead? It is this issue of an impact assessment on the local health economy that has now stalled the contracting out of a large chunk of clinical services to Virgin Healthcare in West Sussex.
 - The procurement process for Adult Drug and Alcohol Services commenced in July 2013. Did the Council let SPFT's managers know that they wanted to emphasise the recovery aspect of the service more? What discussions took place with SPFT over doubts as to the quality of their substance misuse service in the City?
 - Can you provide any evidence that these concerns were directly discussed with the Trust by those within the Council who are responsible for monitoring this type of contract?
- 33.6 Councillor Morgan asked the Board to look again at the tendering process and whether Sussex Partnership could build on the good partnership working it already had with a multiple of local voluntary organisations in the City. He suggested that the Board should be seeking to retain local NHS provision; local expertise and local staff wherever

possible, and asked that the report be referred back for further work on a locally based and accountable service.

- 33.7 The Strategic Commissioner, Public Health explained that officers had followed procedures rigorously with regard to service users and TUPE. This work had been monitored by finance teams who were satisfied that the TUPE requirements had been taken into account. Service users had been at the heart of the process. Extensive consultation had taken place and an online survey had received feedback from 250-260 people from the local community. This feedback had influenced the service specification. The Evaluation Panel had included service users throughout the process.
- 33.8 The Deputy Director of Public Health explained that there would inevitably be some disruption with any new service. Sussex Partnership Foundation Trust was aware that the new service would be focused on recovery.
- 33.9 Councillor Jarrett stated that he could understand the concerns being expressed about the loss of a lead provider from the local area. He referred to Councillor Morgan's request for an impact assessment. Councillor Jarrett did not think there would be a big impact but proposed that a decision be deferred for a short period to enable an impact assessment to be carried out on the local health economy.
- 33.10 The Director of Public Health stated that he appreciated the concerns being expressed about the new service but stressed that service users were totally at the heart of the proposals. Bids had been evaluated and the Pavilion Partnership, which included a number of local partners, stood out as the best bid. This was the bid that scored highest and service users support the awarding of this service to the preferred bidder. The Director stressed that everyone involved in the process cared as passionately about the NHS. The proposed new service would be the best service for people in Brighton and Hove.
- 33.11 The Director of Public Health stated that if the recommendations were agreed at the Board and ratified by the Policy & Resources Committee there would be a mobilisation period which was like an impact assessment. There would be open discussions during this process. If there was a deferral there was a danger that the current contract would run out before a new contract was put in place. It was important to proceed with the process.
- 33.12 Councillor Theobald considered that the most important people were the service users. The process started in July 2013 and there was a need to move forward straight away.
- 33.13 The Deputy Head of Law advised that the recommendation to award the contract to Cranstoun as the lead provider in the Pavilions Partnership had a caveat stating that the award of the contract was subject to the Director of Public Health being satisfied about the detailed delivery arrangements. The Board could recommend deferral and this may be considered to be justified where there were new facts or new information presented to the Board. It was possible that Cranstoun could challenge a decision to defer on the grounds that they were the successful bidders following a fair and transparent procurement process.

33.14 At this point Councillor Morgan moved an amendment to the recommendations. He proposed a deferral of the decision. The amendment was seconded by Councillor Jarrett. A vote was taken and the amendment was not approved.

33.15 **Resolved –**

- (1) That the Policy & Resources Committee be recommended to award the Adult Drug and Alcohol Recovery Service contract to Cranstoun as the lead provider in the Pavilions Partnership at a value not exceeding £15.6m over a three year period, subject to the Director of Public Health being satisfied about the detailed delivery arrangements; and authorises the Director of Public Health to award this contract upon being satisfied as to the delivery arrangements, and to take all necessary steps in connection with the letting of the contract.

- (2) That the Policy & Resources Committee be recommended to further grant delegated powers to the Director of Public Health to extend the contract at the end of the three year term, with the potential to extend the contract for a further two years if he deems it appropriate