

DERBYSHIRE COUNTY COUNCIL

CABINET

22 September 2015

Report of the Director of Public Health

**SUBSTANCE MISUSE (DRUGS) ADULT TREATMENT
CONTRACT EXTENSION AND COMMISSIONING FOR
NEW SUBSTANCE MISUSE TREATMENT CONTRACT
(HEALTH AND COMMUNITIES)**

1. Purpose of the report:

To seek approval, under Protocol 10 of Financial Regulations, to extend the Substance Misuse (drugs) adult treatment contract currently provided by Derbyshire Healthcare Foundation Trust for one year to 31 March 2017.

To further confirm approval for the approach to re-commissioning of all Substance Misuse services (including drugs, alcohol, and children and young people's services) with a commencement date of 01 April 2017.

2. Information and analysis:

2.1 Substance Misuse (drugs) Adult Treatment Contract

The contract for delivering the Substance Misuse (drugs) adult treatment contract commenced on 01 April 2012 for an initial three year period with the option available to extend for one year plus one year, taking the total period of the contract to a potential five years to the end of March 2017. The annual value of the contract (excluding an annual award from the Police and Crime Commissioner for the criminal justice elements of the contract) from the Authority is £4.1million.

At the Cabinet meeting of 04 November 2014 it was agreed that the service was suitable for extension for a year to 31 March 2016, with the expectation that the final additional year would be awarded if performance continued to be measured at expected levels. From May 2014 there were local problems with a change of IT system which were further compounded by the temporary cessation of the national data recording system. These issues were outside the control of local providers and the Authority, but resulted in an inability to measure service performance until the national data system was restored in early 2015. When performance problems were identified at this point, a remedial

action plan has been put into place in addition to an increase in the frequency of performance review meetings. The provider has worked well and openly with the Authority to resolve problems and to work towards improvements in performance. Given that the Authority is currently working to a procurement timetable for new services in April 2017, any re-procurement of the Substance Misuse (drugs) adult treatment contract at this stage would be destabilising for both the service and clients.

2.2 Re-commissioning Substance Misuse Treatment Services

The procurement timetable with a commencement date of 01 April 2017 for all substance misuse services was previously approved by Cabinet in July 2013. This would allow for the option of a fully integrated service contract if it is determined that this is the most efficient use of resources and would produce the highest quality of service delivery.

A public consultation is taking place during August, September and October 2015 regarding the future commissioning of all Substance Misuse services. Evidence and experience indicate that frequent contract changes often result in a reduction in quality and performance, destabilising services, staff and service users, and causing confusion for professional referrers. As the new service may become fully integrated, a longer contract period of 3+2+2 years is preferred on this occasion to avoid such destabilisation, as well as unnecessary use of both provider (NHS and charity) and public resources on re-commissioning. Clearly identified break points in the contract allow for re-commissioning should performance be unacceptable, and a potentially longer overall contract period allows for greater confidence and investment by provider(s) in the new service.

3. Other considerations:

In preparing this report the relevance of the following factors has been considered: financial, legal, prevention of crime and disorder, equality of opportunity, human resources, environmental, health, property and transport considerations.

4. Background papers:

Cabinet Paper 30 July 2013
Cabinet Paper 04 November 2014

5. Key Decision:

No

6. Call-in:

Is it required that call-in be waived for any decision on this report? No

7. Officer's Recommendations:

- 1 That Cabinet approves the Substance Misuse (drugs) contract extension for a further year to 31 March 2017.
- 2 That Cabinet approves the approach to commissioning Substance Misuse treatment services (drugs, alcohol, and children and young people's) taking into account the outcome of the public consultation, and a contract period of 3+2+2 years.

Elaine Michel
Director of Public Health