

## PROCUREMENT STAGE 1 – APPROVAL TO PROCEED TO TENDER

This form must be completed for all procurements above the tender threshold (£75,000 - Services and Supplies and £500,000 – Works)

If contract value is over Cabinet approval threshold (£750,000) this form shall be attached with the request to tender report to Cabinet. This form will be “Open” for Publication.

<b>Section A: ABOUT THIS PROCUREMENT</b>	
<b>Title</b>	Integrated Adults Substance Misuse Treatment Service
<b>Directorate</b>	Adults, Health and Commissioning
<b>Procurement Reference Number</b>	PS/2016/285
<b>Contract Cost (Maximum Spend)</b>	£6 Million
<b>Budget code(s)</b>	PHC58
<b>Introduction and Background</b>	The current contract with Addaction comes to the end of its initial term on 31 March 2017. Addaction became responsible for the contract in January 2015 following their acquisition of KCA (the then incumbent) as part of a corporate merger. Although service performance has been on the whole satisfactory, officers have decided to take the contract to the market with a view to securing further integration and potential cost savings.
<b>Proposed Contract Term</b>	3 years initial term plus the option of two further years in any combination.
<b>Political Sensitivity</b>	N/A

**Section B: COMMISSIONING REPORT**

<b>Business Case</b>	As stated, Addaction did not win this contract in their own right. The initial term comes to an end in March 2017 and whilst performance has been generally satisfactory, officers feel that there could be improvements generated in terms of integration and cost savings by testing the market. The current spend for this contract is c.£1.06M per annum. It is proposed that additional elements of the Adults drugs and alcohol service are included within this contract with a view to delivering service improvements at the equivalent or lower total budget cost of £1.15M.
<b>Key Deliverables (Draft Specification)</b>	Achievement of a range of quality outcomes including Public Health England targets on prevention and recovery of substance misuse.
<b>Quality v Price evaluation</b>	60:40 Quality:Price
<b>Social Value</b>	Bidders will be asked to propose Social Value opportunities for their term – this may include volunteering opportunities for local people, and for those in the recovery phase of their treatment.
<b>Current / Previous Contract details</b>	PS/2013/541

**FINANCIAL IMPLICATIONS**

<b>Current / Previous Contract Cost</b>	The current spend on substance misuse services that will be included within this contract amounts to £1,234M per annum.					
<b>Cost Breakdown</b>	<b>Breakdown of Estimated Cost</b>	<b>16/17 £000's</b>	<b>17/18 £000's</b>	<b>18/19 £000's</b>	<b>Later £000's</b>	<b>Total £000's</b>
	<b>Total Spend</b>	<b>£</b>	<b>£1200</b>	<b>£1200</b>	<b>£3600</b>	<b>£6000</b>
<b>Confirm Funding Breakdown Identified</b>	Revenue Budget	£	£1200	£1200	£3600	£6000
	Capital Budget	£	£	£	£	£
	Other (Please State)	£	£	£	£	£
	Other (Please State)	£	£	£	£	£
	<b>Total Funding</b>	<b>£</b>	<b>£1200</b>	<b>£1200</b>	<b>£3600</b>	<b>£6000</b>
<b>Budget Code(s)</b>	PHC58					
<b>Unsupported borrowing?</b>	N/A					
<b>Other Financial Implications</b>	The procurement will seek to achieve savings through further integration and support continued delivery post removal of the Public Health ringfence					

<b>PROCUREMENT ROUTE ABOVE TENDER THRESHOLD (Choose 1(of A, B, C or D) only)</b>	
<b>A. COMPETITIVE PROCUREMENT (complete B if a Framework)</b>	
<b>Procurement Route</b>	Light Touch EU (Social Care/Health)
<b>Procurement Justification</b>	Health Service above EU Light touch threshold
<b>B. FRAMEWORK (Waiver in accordance with Rule 13.1 (c))</b>	
<b>Framework?</b>	Is this a procurement from a Framework? <span style="float: right;">No</span>
<b>Title &amp; Reference of Framework</b>	N/A
<b>Framework Rationale</b>	N/A
<b>C. REQUEST FOR QUOTE FROM RESTRICTED MARKET (Waiver in accordance with Rule 13.1 (d))</b>	
<b>Restricted Market?</b>	Is this a request for quotes from a restricted market? <span style="float: right;">No</span>
<b>Rationale (only permitted below the EU threshold)</b>	N/A
<b>D. SINGLE SOURCE REASON (Waiver in accordance with Rule 13.1 (a, b or d))</b>	
<b>Single Source</b>	Is this Procurement a Single Source – One Quote/Tender <i>(Exceptional circumstances only and select reason below)</i> <span style="float: right;">No</span>
<b>Single Source justification below EU Threshold</b>	<i>Select reason and explain your rationale</i> N/A
<b>Single Source justification above EU Threshold</b>	If you are seeking a single tender above the EU threshold – using the “Negotiated Procedure without Call for Competition” route, this is only available in very exceptional circumstances. You must select the reason below and explain your rationale.  N/A
<b>Single Source Rationale</b>	N/A

PROCUREMENT TIMETABLE, RISK, CONSULTATION AND MANAGEMENT					
<b>Milestones and target dates</b> <i>(Draft)</i>	<b>Key Event</b>	<b>Date</b>			
	Publication of Contract Notice or Advert	21 October 2016			
	Return of PQQs (omit if not applicable)	N/A			
	Issue of Invitation to Tender	21 October 2016			
	Return of Tenders	28 November 2016			
	Notification of Results	09 January 2017			
	Standstill Period (omit if not applicable)	19 January 2017			
	Leaseholder Consultation (omit if not applicable)	N/A			
	Expected date of Award	20 January 2017			
	Contract Commencement	01 April 2017			
<b>Risk Management – Set out Main Risks and Mitigating Actions</b>					
<b>Risk</b>	<b>Likelihood (A – E)<sup>1</sup></b>	<b>Impact (I – IV)<sup>2</sup></b>	<b>Level of Risk (High to Lower)<sup>3</sup></b>	<b>Potential Negative Impact</b>	<b>Management / Mitigation of Risk</b>
<b>Tender Process Risks</b>					
Insufficient interest in the tender	D	II	Lower	Unable to award contract	There is a developed third sector market in Substance Abuse Treatment Services
Overrun Procurement	C	II	Lower	Service gap or requirement to extend	As much preparation will be done as possible, slippage will be minimised
Enter Risk	L	I	Level	Impact	Mitigation
<b>Contract Performance Management Risks</b>					
Service Performance failure	C	I	High	Service Users at risk, community safety impact	Strong contract management to be put in place. Regular monitoring and involvement of CCG for clinical governance issues.
Enter Risk	L	I	Level	Impact	Mitigation
Enter Risk	L	I	Level	Impact	Mitigation
<b>Contingency Arrangements</b>	The potential for extension will be agreed with the current incumbent prior to tender. Public Health will continue to work closely with the CCG and Primary Care providers should any failure take place during the contract term.				
<b>Consultation</b>	Internal consultation will take place with the Community Safety Partnership, and with the CCG and Primary Care Providers. A focus group exercise is planned to involve service users.				
<b>Project and Contract Management Proposals</b>	The Contract will be managed directly by the Responsible Officer (Public Health Manager).				

<sup>1</sup> **Risk Likelihood:** A = Very High, B = High, C = Significant, D = Low, E = Very Low

<sup>2</sup> **Risk Impact:** I = Critical, II = Significant, III = Marginal, IV = Negligible

<sup>3</sup> **Risk Level:** High = AI, BI, All, BII, CI, CII, all others lower

<b>Procurement Comments</b>	The intention to procure an Integrated Adults Substance Misuse Treatment Service meets the requirements of Schedule 3 of the Public Contracts Regulations 2015. The estimated contract spend over the initial three year contract period is above the minimum EU threshold of £625.00 so a full OJEU process will be required. Public Contracts Regulations 2015, 74 – 77 will apply.
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### Section C: LEGAL, FINANCE AND PROCUREMENT APPROVAL

<b>Procurement Services</b>	<b>Name</b>	John Harmer
	<b>Signed</b> <i>(Or obtain email of confirmation)</i>	
	<b>Date</b>	Click here to enter a date.
<b>Legal Services</b> <i>(Insofar as it relates to Legal implications)</i>	<b>Name</b>	Kevin Molloy
	<b>Signed</b> <i>(Or obtain email of confirmation)</i>	
	<b>Date</b>	Click here to enter a date.
<b>Finance</b> <i>(Insofar as it relates to Finance implications)</i>	<b>Name</b>	Jo Freeman
	<b>Signed</b> <i>(Or obtain email of confirmation)</i>	
	<b>Date</b>	Click here to enter a date.

### Section D: APPROVAL TO PROCEED VALUE

*The Responsible Officer must sign the form, together with the Head of Service as a minimum. Delegated Authority Limits below.*

<b>Approval Level</b>	Over £750,000 - Cabinet
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**Section E: SIGN OFF APPROVAL TO PROCEED**

<b>Confirmation by the Responsible Officer of Compliance with Contract Procedure Rules</b>	The Responsible Officer <b>Kevin Malone</b> confirms that the procurement of <b>Integrated Adults Substance Misuse Treatment Service</b> and <b>PS/2016/285</b> has been carried out in accordance with Rule 5 of the Council's Contract Procedure Rules (Chapter 9, Part 2 of the Constitution) and in particular the following duties have been met by the Responsible Officer: <ul style="list-style-type: none"> <li>• Compliance will occur with all regulatory or statutory provisions and the Council's decision making requirements</li> <li>• The Contract will be included on the Council's Contract Register</li> <li>• Value for Money will be achieved</li> <li>• Advice has or will be sought from the Director of Finance and Corporate governance as to an appropriate security bond or guarantee</li> <li>• Document Retention Policy has and will be complied with</li> <li>• Financial Evaluation will be made of all the proposed tenders including the recommended bidder</li> <li>• Advice has been and will be sought and followed from Procurement, Legal and Finance as necessary</li> </ul>	
	<b>Signed</b>	
	<b>Date</b>	Click here to enter a date.
<b>Approval to Proceed</b>	In accordance with the Contract Procedure Rules, I/we confirm the accuracy of the information contained within this form and authorise this request to <b>Proceed to Tender</b> including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13	
<b>Head of Service</b>	<b>Name</b>	Tim Elwell-Sutton
	<b>Signed</b> <i>(Or obtain email of confirmation)</i>	
	<b>Date</b>	Click here to enter a date.
<b>Corporate Director</b> <i>I confirm that the Portfolio Holder has been consulted as required</i>	<b>Name</b>	Ian Wake
	<b>Signed</b> <i>(Or obtain email of confirmation)</i>	
	<b>Date</b>	Click here to enter a date.
<b>Head of Corporate Finance</b> <i>If waiver required</i>	<b>Name</b>	Name
	<b>Signed</b> <i>(Or obtain email of confirmation)</i>	
	<b>Date</b>	Click here to enter a date.
<b>Cabinet</b>	<b>Approval Minute Number</b>	Enter minute reference
	<b>Date</b>	Click here to enter a date.
Now send complete form to Procurement Services signed and scanned (with emails if used)		