

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 appended to the Cabinet report. This form will be “open” for publication.

1.	INTRODUCTION	
1.1	Contract Title	Young Person’s Substance Misuse Treatment Service
1.2	Reference	PS/2018/157
1.3	Directorate	Adults, Housing and Health
1.4	Contract Cost	£810,000.00
1.5	Description	Thurrock Council’s Drug and Alcohol Action Team, part of its Public Health team, is seeking a provider to deliver an integrated young person’s substance misuse treatment service. The aim of the service will be to provide interventions ranging from education and prevention through to structured treatment to young people aged under years old 18 who live in Thurrock or who are a Thurrock looked after child placed externally to the borough but within reasonable distance to access the service
1.6	Contract Term	Four years with the option to extend for a further two years (in one year increments).
1.7	Political Sensitivity	N/A
2.	BUSINESS CASE	

2.1	Business Case	<p>The Public Health Grant is provided to local authorities to give them the funding needed to discharge their public health responsibilities. Broadly these responsibilities include:</p> <ul style="list-style-type: none"> • Improve significantly the health and wellbeing of local populations; • Carry out health protection and health improvement functions delegated from the Secretary of State; • Reduce health inequalities for all ages, including within hard to reach groups; • Ensure the provision of population-wide healthcare advice. <p>The grant is made under Section 31 of the Local Government Act 2003 and the Secretary of State has set down conditions to govern its use. The primary purpose of the conditions is to ensure that the grant is used to assist the local authority to comply with its Public Health duties and mandatory functions, that it is spent appropriately and accounted for properly.</p> <p>A local authority must, in using the grant, have regard to the need to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services.</p> <p>The contract for the Young Person's Substance Misuse Treatment Service expires on 31st March 2019 and a new contract and service is required from 1st April 2019. The service will sit under the umbrella of Brighter Futures.</p> <p>The current contract value was £135,000pa and a similar annual contract value is forecast for the new contract, subject to any fluctuations in service demand set out in the needs assessment. The benchmarking referred to in the needs assessment confirms that this is a very favourable price for the Local Authority and financial savings have therefore not been identified.</p>
2.2	Key Deliverables	<p>The service will deliver interventions that meet three of the five NHS Outcomes Framework Domains:</p> <ul style="list-style-type: none"> • Preventing people from dying prematurely • Ensuring people have a positive experience of care • Treating and caring for people in safe environment and protecting them from avoidable harm <p>The service will contribute to the following Thurrock Public Health aims:</p> <ul style="list-style-type: none"> • A reduction in drug-related ill health • An avoidance of drug-related deaths • A reduction in drug-related offending • A reduction in the supply of illegal drugs • A reduction in alcohol-related harms • Today's young people prevented from becoming tomorrow's problematic substance misusers • Breaking the cycle of intergenerational substance misuse • A reduction in NEET figures – children and young people Not in Education, Employment or Training
2.3	Commercial Pressures	N/A

2.4	Contractor Employment Status ¹	N/A
2.5	Award Criteria	60:40 Quality : Price
2.6	Social Value	Social Value outcomes are expected to be met and will be measured during the contract. Social Value will also be evaluated as part of the tender evaluation criteria.
2.7	Previous Contract	Reference Number: PS/2013/544 The contract duration was 3 years + 2 years with the two year extension option being taken. The contract expiry date is 31st Mar '19.

3.	FINANCIAL CONSIDERATIONS						
3.1	Previous Contract Cost	Current contract cost: £528,645.00 over a total of 5 years.					
3.2	Scope Changes	Is there any increase / decrease in scope that could impact costs?	No				
3.3	Annual Cost	Year	19/20 £000's	20/21 £000's	21/22 £000's	Later £000's	Total £000's
		Total Spend	£135	£135	£135	£405	£810
3.4	Funding Breakdown Identified	Revenue Budget	-	£135	£135	£405	£810
		Capital Budget	-	-	-	-	-
		Other (Public Health Grant)	£135	-	-	-	-
		Other (-)	-	-	-	-	-
	Total Funding		£135	£135	£135	£405	£810
3.5	Budget Code(s)	PH001 2600 PHC59					
3.6	Unsupported borrowing	Unsupported borrowing is not to be used to fund this service.					
3.7	Other Financial Implications	The funding for this contract will continue to be provided through the Public Health Grant allocations until such time the ring fence is removed from the grant conditions, this contract will then become an ongoing General Fund commitment and necessary provision will be made for this.					

4.	PROCUREMENT ROUTE	
4.1	Procurement Route	EU Open Tender
4.2	Procurement Route Rationale	The marketplace for the service is relatively small so there is no requirement for a shortlisting stage.
4.3	Does the contract require a waiver?	No
4.4	Single Source justification	N/A - not a single source

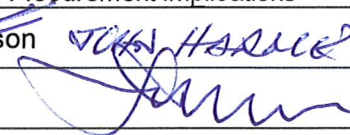

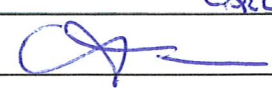
¹ Use online self-assessment tool: <https://www.gov.uk/guidance/check-employment-status-for-tax>

4.5	Waiver Rationale	N/A
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5.	PROCUREMENT TIMETABLE		
5.1	Procurement Timetable	Publish Contract Notice	22 October 2019 2018
		Selection Questionnaire Return	N/A
		Invitation to Tender Issue	22 October 2018
		Invitation to Tender Return	30 November 2018
		Notification of Result	3 January 2019
		Standstill Period	4-14 January 2019
		Expected Award Date	15 January 2019
	Contract Commencement	01 April 2019	

6.	RISKS, CONSULTATION AND MANAGEMENT					
6.1	Tender Process Risks	Risk Level			Negative Impact	Mitigation
	Non adherence to procurement timetable	D - Low Likelihood	III - Marginal Impact	DIII- Low Risk	Procurement overrunning current contract end date	Extra time built into the timetable to allow for potential delays
	Non compliance with procurement regulations	D - Low Likelihood	II - Significant Impact	DII - Low Risk	Council open to challenge	Procurement and legal to be engaged in process
	N/A	N/A	N/A	N/A	N/A	N/A
6.2	Contract Performance Risks	Risk Level			Negative Impact	Mitigation
	Contract not appropriately managed	D - Low Likelihood	II - Significant Impact	DII - Low Risk	Provider does not deliver to contract	Robust spec with KPIs to be monitored by contract manager
	Serious incident	D - Low Likelihood	II - Significant Impact	DII - Low Risk	Provider does not follow their own policies and procedures or local ones determined by commissioners	Full Route Cause Analysis conducted in partnership with Thurrock CCG and other partner agencies
	Serious Case Review	E - Very Low Likelihood	I - Critical Impact	EI - Low Risk	Service user dies as a result of Provider's intervention	Full Route Cause Analysis conducted in partnership with Thurrock CCG and other partner agencies
6.3	Contingency	Should the procurement suffer any delays or problems commissioners will work with the current Provider to ensure service continuity until a new contract is awarded. Should problems exist during the life of the new contract commissioners will activate requests for action recovery plans and issue formal correspondence such as Notice to Improve where appropriate and in line with local policies and procedures. In the worst case scenario the contract will be terminated and re-tendered.				

6.4	Consultation	A number of stakeholders have been consulted with in preparing this re-procurement. Partner agencies across children's services, youth justice and mental health services in both the public and voluntary sector were invited to comment on the process and provide recommendations. Thurrock's Youth Cabinet was appraised of the above and asked for any comments or recommendations. The Adult and Young Person's drug and alcohol treatment services were also consulted for any comments or recommendations. A small number of young people in treatment for substance misuse or who were receiving hidden harm support to better understand their parent's/carer's substance misuse were also consulted. The Cabinet report was discussed at Health and Wellbeing Overview and Scrutiny Committee on 6th September 2018.
6.5	Project and Contract Management	The expiring contract will continue to be performance managed via quarterly contract & performance meetings led by Kevin Malone, Public Health Programme Manager (DAAT Lead). The frequency of these meetings increases if poor performance is delivered by the Provider. Some of the service's KPI's are reported on at both directorate and corporate level and this will continue. Annual audits and service reviews are a core component of the annual project and contract management cycle. At the end of the new contract the DAAT Lead will assume responsibility for re-procurement and follow the appropriate procedures.
6.6	Procurement Implications	The proposed contract exceeds the EU threshold, therefore a formal tender process will be carried out and published in the OJEU, using the Open procedure as outlined in section 4 of this form.

7.	LEGAL, FINANCE AND PROCUREMENT APPROVAL	
7.1	Procurement	I confirm that I have been consulted and agree with the information contained in this report in so far as it relates to Procurement implications
		Name Kiri Mason John Haddock
		Signed (or obtain email confirmation) 
		Date Click here to enter a date. 30/08/2018
7.2	Legal	I confirm that I have been consulted and agree with the information contained in this report in so far as it relates to Legal implications
		Name Sarah Okafor / Courage Emovon
		Signed (or obtain email confirmation) 
		Date 29/08/2018
7.3	Finance	I confirm that I have been consulted and agree with the information contained in this report in so far as it relates to Financial implications
		Name Jo Freeman Carl Tomlinson
		Signed (or obtain email confirmation) 
		Date Click here to enter a date. 30/08/18

8.	APPROVAL TO PROCEED
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8.1	Approval Level	Over £750,000 - Cabinet	
8.2	Responsible Officer	I confirm that this procurement will be 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: <ul style="list-style-type: none"> • Compliance will occur with all regulatory or statutory provisions and the Council's decision making requirements • The Contract will be included on the Council's Contract Register • Value for Money will be achieved • Advice has or will be sought from the Director of Finance and Corporate governance as to an appropriate security bond or guarantee • Document Retention Policy has and will be complied with • Financial Evaluation will be made of all the proposed tenders including the recommended bidder • Advice has been and will be sought and followed from Procurement, Legal and Finance as necessary 	
		Name	Kevin Malone
		Signed	
		Date	29/08/2018
8.3	Assistant Director	In accordance with the Contract Procedure Rules, I confirm the accuracy of the information contained within this form and authorise this request to Proceed to Tender including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13.	
		Name	N/A
		Signed <i>(or obtain email confirmation)</i>	
		Date	Click here to enter a date.
8.4	Corporate Director	In accordance with the Contract Procedure Rules, I confirm the accuracy of the information contained within this form and authorise this request to Proceed to Tender including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13. I confirm that the Portfolio Holder has been consulted as required	
		Name	Roger Harris
		Signed <i>(or obtain email confirmation)</i>	
		Date	Click here to enter a date. 30/8/18
8.5	Director of Finance and IT (If waiver required)	In accordance with the Contract Procedure Rules, I confirm the accuracy of the information contained within this form and authorise this request to Proceed to Tender including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13.	
		Name	N/A
		Signed <i>(or obtain email confirmation)</i>	
		Date	Click here to enter a date.
8.6	Cabinet	Minute Number	To be confirmed
		Date	12/09/2018
Now send complete form to Procurement Services signed and scanned			