

Item No.	Classification: Open	Date: 7 September 2018	Meeting Name: Cabinet Member for Community Safety and Public Health
Report title:		GW3: Extension of contract for the Adult Integrated Drug & Alcohol Treatment System	
Ward(s) or groups affected:		All wards	
From:		Strategic Director of Housing and Modernisation	

RECOMMENDATION

1. That the cabinet member for community safety and public health approves the extension of the AIDATS contract with change, grow, live (cgl; a company limited by guarantee) for a maximum period of twelve (12) months commencing on 4 January 2019 at an estimated maximum contract value of up to £3,537,467.
2. That the cabinet member for community safety and public health notes the recommendation to extend the contract for one year only of the two year possible extension period on the basis of the rationale stated in the 'reasons for variation' section.
3. That the cabinet member for community safety and public health notes that, should it be necessary to extend the contract for a further period not exceeding one year commencing on 4 January 2020, a further Gateway 3 variation decision report will be presented to the relevant decision-maker seeking approval to do so.

BACKGROUND INFORMATION

4. The Lifeline Project Limited (Lifeline) was awarded the AIDATS contract in September 2015 with the service commencing operational delivery on 4 January 2016, the procurement strategy and contract award decision of which were detailed in respective Gateway (GW)1 and GW2 reports.
5. In April 2017, the council was made aware that Lifeline met the criteria for insolvency and following comprehensive due diligence processes, a decision was taken to formally novate the contract to cgl, the largest specialist drug and alcohol treatment provider in England, via a GW3 contract variation report.
6. The service is delivered from two main hubs in the Camberwell and Walworth Road areas of the borough directed by a detailed service specification that is inclusive of a range of evidence based drug and alcohol treatment interventions with a strong focus on recovery and supporting service users to build resilience.
7. In addition to treatment specific interventions, the service facilitates access to support with employment and training opportunities as well as to establish new substance free social networks and interests and working alongside service users and stakeholders to build a visible recovery community in Southwark, all of

which contribute to improving outcomes and life chances for Southwark residents with drug and alcohol issues.

8. Within the contract, there is the facility for the council to extend on the same terms and conditions for any period up to a maximum of two years, following the expiry of its initial three year term. Should this option be exercised, the council is required to give cgl three months notice.
9. The outcomes and performance of the contract are monitored using a variety of National Drug Treatment Monitoring System (NDTMS) indicators and locally collected service data underpinned by a 20% Payment by Results (PbR) model.

KEY ISSUES FOR CONSIDERATION

Key aspects of proposed variation

10. The variation recommended in this report relates specifically to a twelve (12) month extension of contract with the existing provider cgl to commence on 4 January 2019 with a proposed uplift in the financial envelope when compared to year 3 of the initial contractual term. There are no changes to the specified outcomes and performance as required by the council, but the service offer will be enhanced by the dedicated outreach provision.
11. The variation is for the purpose of ensuring service continuity for vulnerable residents and promoting stability in a treatment system that has been subject to significant transitional change since 2015 and will result in a revised contract completion date of 3 January 2020.
12. The estimated maximum value of this proposed variation is £3,537,467, making an estimated aggregate contract value of £14,463,738. The value of this extension as a percentage of the original contract value is 32.4%.

Reasons for variation

13. This variation has arisen as the current three year contract expires on 3 January 2019 and there is a need to ensure access to stable treatment service provision and no disruption in its continuity for vulnerable residents in the borough whilst work is undertaken pertaining to the future plans for the service. A financial uplift of £38,000 is proposed when compared to the year 3 contract value and an extension period of twelve months is recommended for the reasons detailed in paragraphs 14 to 25 below.

Continuation of enhanced service provision to better meet need

14. Significant savings were realised for the council as part of the procurement process which saw a reduction in budget allocation for the services from £5.8m in 2014/15 to £3.9m in year 1 (4 January 2016 – 3 January 2017), £3.510m in year 2 (4 January 2017 – 3 January 2018), and £3.499m in year 3 (4 January 2018 – 3 January 2019).
15. Whilst additional savings were realised due to a lower contract value than the tender budget allocation, it has become apparent that the contract value proposed by Lifeline has resulted in challenges for the new provider cgl to deliver the full scope of the service specification to the extent required to maximise benefits. Adverse impact has been noted since the contract commencement in

relation to a lack of assertive outreach provision which is defined as engagement with individuals with unmet drug and / or alcohol treatment needs beyond the borough's fixed treatment hubs.

16. The necessity for assertive outreach provision has increased in importance in recent years due to reductions in funding for other support services in contact with individuals with unmet drug and / or alcohol treatment needs in addition to increased numbers of rough sleepers and 'hard to reach' individuals who will not engage with treatment through conventional means. It is also reflected as the primary concern for local service users and service user involvement representatives in terms of service improvement.
17. Assertive outreach provision has a key role to play in improving access and engagement rates across all three cohorts and is of paramount importance in engaging with individuals with multiple comorbidities and complex vulnerabilities to reduce these risks and to improve health and wellbeing.
18. Over the past two years, an increase in antisocial behaviour in relation to the use of drugs and alcohol has been raised as a community safety issue on several occasions inclusive of injecting in public places, drug dealing, discarding of drug related litter in public places and use of drugs and associated antisocial behaviours in residential areas. Engagement with individuals partaking in antisocial behaviour activities requires a targeted focused approach to engagement in the community environment and the delivery of a bespoke treatment offer to sufficiently meet their needs. Traditional initiatives have failed to impact on these instances of public drug use and its associated issues and have not improved access and engagement with cgl.
19. Legal advice was sought in January 2018 pertaining to the extent of the council's discretion to use unpaid PbR funding (April and May 2017 when Lifeline was the provider and did not meet the applied targets) to fund an assertive outreach post within the service contract for a period of one year. This was deemed appropriate for the intention of promoting both quality and value in the contract by assisting cgl to provide an enhanced service for individuals demonstrating a high level of vulnerability and complex needs. An experienced worker has been recruited by cgl and is delivering the service.
20. The £38,000 uplift proposed in this report will ensure the continuity of the outreach provision for the duration of the contract extension which will support the council, cgl and wider health and community safety partners to better understand the needs of hard to reach groups who do not readily access treatment as well as to provide insight into the type of approach and interventions which might assist these groups to engage with treatment, reduce their substance misuse and associated problematic behaviours.

Period of extension

21. The substance misuse landscape has changed substantially in recent years, since the contract was procured in 2015, with a range of new ambitions and intentions detailed in the HM Government Drug Strategy 2017¹, all of which are underpinned by a renewed understanding that the key to progress and maximising benefits for service users, families, communities, partners and the

¹ <https://www.gov.uk/government/publications/drug-strategy-2017>

council is an active partnership approach to reducing health inequalities and improving community safety in relation to substance misuse.

22. A priority aspect of this partnership ambition relates to the intention for a Home Secretary Chaired Board which is being set up to consider and develop a range of jointly owned performance measures that will locate the issue of tackling substance misuse as a joint responsibility of identified partners as opposed to treatment providers being primarily accountable for delivering benefits in this area.
23. It is possible that there will be some overlap between the partnership-owned measures and those identified within the contract relating to PbR. If this is the case, the council might be challenged in its ability to continue to apply PbR and, as removal of this would represent a significant material change to the service that was tendered in 2015, there would be a necessity to re-commission the contract with an amended PbR element or without the PbR element included.
24. Exercising a one year extension only at this stage will allow officers to monitor the progress of the development of the jointly owned measures over the coming months and to take a decision to recommend either a further extension, subject to satisfactory performance, in the event that the measures are not developed or do not impact on the PbR measures in the contract or to seek to decommission the existing service and re-commission a new contract.
25. Whilst it is acknowledged that there is a need to maintain stability in the treatment system following a time of great transition since 2015, there is also a need to ensure that the service contract is fit for purpose and appropriately aligned with national guidance. Offering a one year extension will maintain the stability of the treatment system whilst commissioning decisions are made based on evidence and guidance available to the council.

Performance of the service

26. The contract has fourteen PbR measures, twelve of which derive from NDTMS and two of which are based on local data. It should be noted that the PbR measures do not represent the totality of all measures available to the council to assess the performance of the contract and that due to the nature of the services delivering a wide range of interventions to meet both the treatment and holistic care needs of adult drug and alcohol users, it is impossible to accurately report every measure, benefit and outcome deriving from the delivery of the contract as these will be highly individualised for each service user.
27. A grace period of fifteen months was applied from the contract commencement date during which no PbR was applied for the purposes of implementing the new service and systems with PbR on some indicators due to commence in Q1 2017/18 and the full 20% to be applied from Q2 2017/18.
28. Due to cgl's takeover of the contract on 1 June 2017 and the need to focus on treatment system stability and retention of service users in treatment, legal advice was sought and it was deemed appropriate to delay the application of PbR for a further period of four months.
29. Officers are aware from previous experience that the transitional period following a change of provider / new service can take up to 18 months to settle and as such, this is taken into consideration when reviewing the performance of the

contract with acknowledgement given to the two implementation periods during the first two years of delivery.

30. It should be noted that treatment benefits and gains for complex individuals will not be evident through traditional NDTMS performance measures such as successful completion of treatment and it will be more challenging for any provider to achieve the highest levels of performance noted across the London boroughs for certain cohorts of service users (Public Health Outcomes Framework – PHOF) which must be considered in any appraisal of contract performance.
31. Whilst the council’s ambition for all residents using these services is to achieve sustainable recovery in line with the HM Government Drug Strategy 2017, it is recognised that the ability to achieve this will vary between service users and there is no expectation of the provider to pursue recovery and successful completion of treatment where this would result in increased risk to service users as detailed in paragraph 32.
32. Mirroring the national picture, Southwark demonstrates an aging population of individuals using drugs and / or alcohol with the health needs of people twenty years older. As such, the ambition for these residents may relate to reducing harm and keeping them safe through treatment engagement and retention as opposed to pursuing an end goal of abstinence and successful completion of treatment, the benefits of which will not be reflected in the PHOF data, but which will have a potentially adverse effect on the borough’s successful completion rates.
33. It is important that consideration of NDTMS and PHOF data is not undertaken in isolation as this does not provide a holistic picture of the overall performance and benefits of the service which is demonstrated through locally collated data and service user feedback.
34. Locally collated data demonstrates the significant progress that the borough’s treatment system has made over the course of the contract as well as providing assurance to the council that the service is meeting the needs of a wide range of residents, that cgl are delivering the services in line with current guidance and legislation and that efforts are being made to deliver innovative approaches to treatment to engage with as wide a range of residents with drug and / or alcohol treatment needs as possible. Examples of service progression and highlights throughout 2017/18 are illustrated in the below table (not an exhaustive list).

CGL	Southwark	Service	Details
Rapid Access Admission Pathway	Opiate (Heroin)		This pathway provides efficient access to opiate substitute treatment (OST) for service users who are clinically appropriate. In March 2018, 100% new opiate presentations received an OST prescription on the same day they presented. This safeguards service users by getting them into treatment as early as possible, as well as reducing early drop outs from treatment and is considered excellent practice.
Wellbeing Clinics			All new presentations now have access to a Health and Wellbeing Clinic which includes BBV testing, sexual health screening and other health

	checks completed by a registered nurse.
Hepatitis C Treatment	Service users have easy access to treatment for Hepatitis C within the service due to an effective partnership working agreement between cgl Southwark and Kings College Hospital. Treatment is offered within the service, and includes access to a FibroScan.
Hostel Engagement	Partnership working has improved between the treatment system and local hostels. This is encouraging some of the more hard to reach individuals into treatment and supporting access to naloxone.
Engagement Levels	8 in 10 new presentations assessed by the service go on to engage with structured treatment representing an 80% conversion rate which is positive and suggests the local treatment offer is appropriate to meet presenting need.
Self reported outcomes	Between treatment start and treatment exit, service users report improvements in a number of recovery indicators, including accommodation, family and relationships, offending, emotional health etc.
Recovery Promotion	100% of service users prescribed medications for opiate dependency are also engaging with psycho-social interventions enabling them to identify new skills and build on their own recovery capital in addressing their dependency.

35. Service user feedback can be observed in the consultation section of this report.

Future proposals for this service

36. Future options are to be considered later in 2018/19 and will be the subject of a GW0 report. In addition, should the most appropriate option be to seek an extension beyond 4 January 2020, this will be the subject of a further GW3 report.

Alternative options considered

37. The following options have been considered and discounted.

38. Cease to commission the services on 3 January 2019 when the initial three year contractual term ends: The services are funded from the Public Health grant allocation. Pursuant to section 31(4) of the Local Government Act 2003 the Secretary of State has attached a number of conditions to the payment of the grant including "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.'" The AIDATS contract is the major vehicle for meeting this condition.

39. In addition, the contract represents the only adult community specialist drug and alcohol treatment service provision in the borough and is the primary vehicle for reducing demand for drugs and / or alcohol in adult residents. The service

supports 90% of all service users engaged with specialist drug and alcohol treatment in Southwark. Loss of access to treatment would result in a significant risk to health and wellbeing and in some cases to life, for some of the borough's most vulnerable residents.

40. Seek approval of a new procurement strategy for an AIDATS contract to be in place by 4 January 2019: there is not sufficient time to undertake a procurement of the scale and size to deliver a new service for commencement on 4 January 2019. Additionally, it is of benefit to delay the procurement of a new service contract until the proposed jointly-owned partnership measures are at a later developmental phase so that the new service model and specification can be developed in line with this where possible.
41. Exercise the option in the current contract to extend for a further period of two years as opposed to one year: The reasons for not recommending this option at this stage are detailed in paragraphs 21 to 25.
42. Identified risks for the variation
43. The identified risk for the variation is detailed in the table below.

Risk	Risk level	Mitigation
Southwark's 2019/20 Public Health grant funding is not yet confirmed nor is the funding allocation for substance misuse services.	Low	Funding uncertainties will continue to be made explicit in the contract with a new three month break clause stated in the terms and conditions. The contract will reflect the degree of uncertainty of funding and will contain caveats to allow for changes of volume and quantities of activity. Where funding allocation is reduced, cgl will be informed at the earliest opportunity and officers will liaise closely with the provider in order to limit the impact on frontline service delivery.

Policy implications

44. The contract offers a range of benefits and impacts on cross council priorities as well as playing a key role in the successful delivery of the Southwark Council Plan 2018/19 – 2021/22 in relation to the following Fairer Future areas:
 - The best start in life – offering intensive specialist support for parental drug and alcohol users to address dependency improves the life chances of their children and reduces the likelihood of harm with decreased impact on Children's Social Care services

- A healthy borough where your background doesn't determine your life chances – tackling dependency and associated ill-health helps to reduce health inequalities and support people to improve their lives with contribution to a wide range of Public Health Outcomes Framework (PHOF) indicators.
 - A great place to live with clean, green and safe communities – engagement of drug and alcohol users in effective treatment reduces substance related crime and antisocial behaviour as well as reducing the discarding of drug related paraphernalia in public places
 - Full employment, where everyone has the skills to play a full part in our economy – achieving stability in treatment and sustained recovery enables drug and alcohol users to find work, access training and achieve their goals as well as contributing to the local economy
45. The contract is aligned with current national key policy drivers and legislation for adult drug and alcohol treatment in England including the Department of Health's Drug misuse and dependence: UK guidelines for clinical management (2017)².
46. The Southwark Safeguarding Adults' Board (SSAB), which includes Southwark's Crime and Disorder Reduction Partnership, has a statutory duty to produce an annual strategic assessment and three year strategic plan. This strategic plan is the key policy and strategy document directing community safety partnership activity. In July 2017 the SSAB approved the new strategic plan; identified as the Community Safety Partnership Plan 2017 – 2020. Tackling substance misuse is identified as a priority area within the plan and this contract is a key driver in achieving this objective through reducing demand.

Contract management and monitoring

47. The Drug and Alcohol Action Team (DAAT) in Community Safety and Partnerships (CS&P) will maintain lead commissioner responsibility for the management and monitoring of the contract. This is primarily achieved through formal quarterly monitoring meetings, aligned with the NDTMS data schedule, with cgl in addition to day to day contact to fulfil the purpose of monitoring oversight and a proactive approach to service development. No changes to these processes are proposed.
48. Formal quarterly contract review meetings take the format of contract monitoring reports and meetings with provider representatives. cgl will be required to continue to submit comprehensive technical and financial information to the DAAT ahead of the formal meeting which will be scrutinised as part of the contract review process.
49. A monthly PbR review meeting will continue to be scheduled between the council and provider for the purpose of scrutinising activity undertaken to achieve the indicators. This enables the council to identify concerns early and to direct cgl, where appropriate, on actions required by the council to drive improvements. The contract contains appropriate remedies in the event of default.
50. By way of further mitigation for any non-compliant performance observed which could suggest service user needs are not being met, service user feedback will

continue to be sought from the Recovery Support Service (RSS) on a monthly basis to enable the council to assess service user views of the provision and to identify any changes required to best meet needs. The RSS Manager also attends the quarterly formal contract review meetings for the purposes of service user scrutiny of the service and input into service development.

51. In addition, milestones are looked at as part of the performance monitoring process and the service user pathway as well as considering service user feedback. This outcomes approach assists a continuous review progress through regular progression review and taking remedial action to improve the service where necessary. Collaborative working with cgl is promoted although the risk lies with the provider (and this is reinforced by the PbR element in the contract).
52. Governance for the contract is provided through the Safer Communities sub-group on a quarterly basis, which directly reports to the Southwark Safeguarding Adults Board (SSAB).
53. The existing contract has a robust equalities and diversity monitoring framework which is in line with the council plan priorities. The baseline data collected allows identification of unmet need of any particular cohort engaged with the service that needs to be addressed as well as providing a picture of which groups are not accessing the service.
54. The services provided within the contract are available to all adult residents aged 18 years or over regardless of gender, sexual orientation and faith and protected characteristics. As such, the services could be considered to be universal.

Community impact statement

55. Drug and alcohol dependency is a complex issue and one that is rarely just about dependent use of substances. Simply providing drug and alcohol treatment services is not enough to resolve some individuals' dependencies as for many, even this will not be enough to prevent crisis. Many individuals will have a long history of drug and alcohol use and periods of treatment engagement before they are able to break this cycle with some individuals requiring lifelong treatment engagement for the purposes of reducing harm.
56. There is significant evidence that effective drug and alcohol treatment reduces the harm to communities from dependency and is effective in improving a range of outcomes for individuals. Positive outcomes do not arise from the successful completion of treatment alone, but are evidenced from the improved health, stability, social functioning and reduction in crime that is observed on treatment commencement.
57. The absence from treatment engagement of many adults and young people imposes significant economic and social costs on the borough. These costs are primarily reflected in costs to the NHS associated with the treatment of acute and chronic drug and alcohol related conditions. In the cost of crime committed by adults and young people using substances and Individuals who are actively using substances. Those with substance misuse issues are less likely to be in education, employment or training and leave school without qualifications, which has a cost to the local authority in relation to welfare and to the individual in terms of lower wages and poorer employment prospects.

58. In the absence of specialist community drug and alcohol service provision, the likely community impact would be that of an increase in ill health in over a thousand individuals, increased crime due to drug and alcohol use, an increase in hospital admissions and public use of substances including injecting in public places, a rise in drug and alcohol related mortality and a lack of perceived community safety and satisfaction for the residents of the borough.
59. The contract requires that the provider have a premises located in the borough and an understanding of the needs and challenges facing residents. During the course of the contract to date, cgl has demonstrated a clear commitment to the local community including partnership working with resident and business groups and attending local meetings.

Social value considerations

60. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well being of the local area can be secured. The social value considerations being delivered by this contract are as set out below.

Economic considerations

61. The nature of the services requires delivery within the borough and this will provide opportunities for local labour, bringing local economic benefits.
62. The contract will continue to deliver a range of health, social and economic wellbeing outcomes for those residents who are engaged in treatment.
63. The benefits of providing effective drug and alcohol treatment have been extensively researched through clinical trials; government and private funded research and demonstrated to have a positive impact on individuals, families, communities and society in general. Public Health England Social Return on Investment (SROI) tool estimates that for every £1 invested in substance misuse treatment in Southwark, £2.90 is saved for the borough in economic and social costs as well as benefiting communities and individuals.

Social considerations

64. The services improve the life chances of individuals with drug and alcohol issues reducing the negative impact of drug and / or alcohol use on their children, families and communities. In addition, the services support safer communities across the borough due to a reduction in offending to fund substance use and supporting people to recover and reintegrate into society through meaningful activity with less drug and alcohol use and antisocial behaviour in public spaces.
65. In line with the requirements of the contract, officers have confirmed that cgl will continue to pay at least the rate of London Living Wage (LLW) to all its employees involved in delivering the service throughout the duration of the extension.
66. Pursuant to section 149 of the Equality Act 2010, due regard has been given to the Council's decision making processes to the need to;

- a) Eliminate discrimination, harassment, victimisation or other prohibited conduct.
 - b) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not.
 - c) Foster good relations between those who share a relevant characteristic and those that do not share it
67. The relevant protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. The Public Sector Equality Duty also applies to marriage and civil partnership, but only in relation to (a) above.
68. Officers have taken steps to ensure compliance with the Public Sector Equality Duty imposed by the Equality Act 2010 as set out in the Community Impact Statement section above, in particular:
- An updated Needs Assessment undertaken in 2017/18;
 - Detailed consideration of service level data in relation to treatment access and engagement for individuals with protected characteristics on a quarterly basis;
 - Priority given to investigating and resolving any equalities based issues that arise on a day to day basis to ensure that the service is inclusive for all;
 - Consideration of monthly feedback received from the Recovery Support Service pertaining to all aspects of the treatment service;
 - The consultation exercise, which took place as part of the original tender process in 2015, influenced and informed the drafting of the service specification (so that it covers the range of issues and needs identified by needs assessment and the consultation) and;
 - An updated Equality Impact Assessment was completed in December 2016; this has been reviewed and updated in July 2018 and is included as an appendix (1).The report recommendations are informed by the outcome of the EQIA.

Environmental considerations

69. As the service is provided within the borough, this will minimise transport related emissions.

Financial Implications

70. The Gateway 2 report dated 15 September 2015 and the Gateway 3 report dated 25 May 2017 set out a maximum annual contract value of £3,913,104 in year 1, £3,513,667 in year 2 and £3,499,467 in year 3, fully funded by the council's Public Health grant, with an option to extend for a further period or periods not exceeding two years making a total maximum estimated contract value of up to £18,656,306.
71. The contract values for the first three years were not index linked and would not increase year on year. Provisions were made for a possible uplift in contract value in years 4 and 5 for the purpose of possible contract extensions negotiations to account for potential increased activity. On the basis of the provisions made and approved in the Gateway reports listed in paragraph 69, this would equate to a maximum value of £3,865,034 which would reflect an uplift of £365,567 when compared to year 3 of the contract.

72. However, due to the continued budgetary pressures on the council's public health grant which fully funds the contract; it is not feasible to offer a significant uplift in the fourth year.
73. Officers recommend that a maximum annual contract value of £3,537,467 is offered for the one year extension which is the combination of the year 3 contract value of £3,499,500 and the proposed uplift of £38,000 for assertive outreach provision.
74. Payment by Results will continue to apply for the duration of the extension with twenty per cent (20%) of the quarterly contract value retained by the council and payment made subject to performance meeting the required standards with discretionary considerations as appropriate.

Legal implications

75. Please see legal concurrent

Consultation

76. No formal consultation processes are proposed in relation to the recommended variation of contract.
77. DAAT officers, in conjunction with cgl and the Recovery Support Service, offer a range of mixed methods for feedback opportunities to service users in addition to the standard engagement and feedback processes that take place as part of contract monitoring and review.
78. Service user feedback is considered at the monthly meetings of the council's commissioned RSS delivered by Janus Resonance Factor Limited with the following observations provided to commissioners:
 - Access to treatment is excellent with minimal waiting times and cgl noted to have increased open access for assessments enabling any resident to obtain a comprehensive assessment five days a week, thus taking advantage of the window of opportunity for recovery.
 - The service is viewed as inclusive with particular reference to females. A women's and families support group hosted by the service is popular and well attended supporting females and their families throughout the recovery journey.
 - The service is considered to offer inspirational treatment incorporating both recovery and harm reduction approaches with simple pathways to access specialist internal and external clinical support as well as positive partnership working with other agencies such as housing and Jobcentre Plus who are accessible to service users within the treatment hubs.
 - The service staff works productively with service users to create a strong therapeutic alliance which is further supported by the development of a full range of specific group programmes, aligned with service user need.
 - With regards to Cambridge House – the location is community based, alongside a nursery and solicitors, and service users have reported feeling de-stigmatised and, therefore, less isolated. This has positively impacted on self-esteem and had a positive impact on their recovery.
 - The types of treatment that are offered are varied and individualised, in line with relevant guidelines.

- Offering an integrated system service offer has decreased segregation between different cohorts of service users encouraging engagement with others, regardless of substance of choice, and it has been observed as inspiring as more recovery is exposed.
 - Recovery is visible and the system has progressed from a predominantly harm reduction (which was useful but had limitations) to a more focused and inspirational system of recovery.
 - Overall, the service is considered to be dynamic, flexible and responsive to the needs of residents.
79. When asked about areas for improvement, feedback indicates that service users and the service user involvement representatives feel that the service has lacked capacity to undertake assertive outreach, but which is mitigated through the uplift in contract value for the specific purposes of funding an assertive outreach post.
80. In addition, the group work offer is very popular amongst service users with high levels of attendance, but it has been observed that there are limitations on space and service capacity to deliver the groups which will also be an area of focus during the period of contract extension.
81. Feedback received from a range of partners, including NHS Southwark CCG and Primary Care providers, indicates a high degree of satisfaction with cgl since the takeover.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Head of Procurement

82. This report is seeking the approval of the strategic director of modernisation to extend the AIDATS contract for a period of 12 months at a total contract value of £3,537,467.
83. The report details the rationale for these extensions, essentially to ensure service continuity for vulnerable residents and promote stability in the treatment system.
84. Paragraphs 37 to 41 of the report sets out the alternative options for the delivery of this service and advises that a service design and procurement strategy will be ready by January 2019.
85. Paragraphs 46 to 53 outline the contract management arrangements that will be established to ensure the quality of these services is maintained and that the provider delivers on the key performance indicators set out in the contract.

Director of Law and Democracy

86. This report seeks the approval of the cabinet member for community safety and public health to the extension of the AIDATS contract with cgl for a period of 12 months from 4 January 2019 as further detailed in paragraph 1. As the value of the variation falls within the thresholds noted in contract standing order 6.6.3(b), the decision must be taken by the relevant individual decision maker, after consideration of the report by CCRB.

87. Whilst the original appointment for these services was not subject to the full application of the EU procurement regulations (being a Part B service at that time), this service and any variation to it, is now governed by the light touch regime under the Public Contract Regulations 2015 (PCR15) and it is therefore necessary to ensure that any variations or extensions to that appointment is permitted within the PCR15. Regulation 72 permits modifications to be made to contracts during their term in certain circumstances. This includes at Regulation 72(1)(a) where the modification has been provided for in the initial procurement documents in clear, precise and unequivocal review clauses. As noted in paragraph 8, the contract includes a facility for the council to extend the term for any period up to a maximum of 2 years, and the requirements of Regulation 72 are therefore met. The report sets out at paragraph 13 the reasons and justifications for this extension.
88. The cabinet member's attention is drawn to the public sector equality duty (PSED General Duty) under the Equality Act 2010, and when making decisions to have regard to the need to (a) eliminate discrimination, harassment, victimisation or other prohibited conduct, (b) to advance equality of opportunity and (c) foster good relations between persons who share a relevant protected characteristic and those who do not share it. The relevant characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The duty also applies to marriage and civil partnership but only in relation to (a). The cabinet member is specifically referred to the community impact statement at paragraph 54-57, which set out the consideration that has been given to equalities issues which should be considered when approving this contract variation. The cabinet member is also referred to the equality impact assessment which is detailed at paragraph 67 and appended to this report, which should be read and taken account of when approving this report.
89. Contract standing order 2.3 requires that no steps should be taken to vary a contract unless the expenditure involved has been approved. Paragraphs 69-73 confirms the financial implications of this variation.

Strategic Director of Finance and Governance

90. The strategic director of finance and governance notes the recommendation to approve the extension of the contract with change, grow, live (cgl) for a maximum period of twelve months commencing on 4 January 2019 at an estimated maximum contract value of £3,537,467.
91. As noted in the financial implications, there is a proposed uplift of £38,000 from year 3 contract value, which will be contained within the Public Health grant and payments by result will continue to apply.

BACKGROUND PAPERS

Background Papers	Held At	Contact
GW1 Procurement Strategy Approval	DAAT, CS&P, Communities, Housing and Modernisation, 160 Tooley Street, SE1 2QH	Donna Timms
GW2 Contract Award Decision		
GW3 Variation Decision		

APPENDICES

No	Title
Appendix 1	Equality Impact Assessment

AUDIT TRAIL

Lead Officer	Strategic Director of Housing and Modernisation	
Report Author	Unit Manager – Drug & Alcohol Action Team	
Version	Final	
Dated	6 September 2018	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Head of Procurement	Yes	Yes
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
Head of Home Ownership	No	N.A
Cabinet Member	Yes	No
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		6 September 2018