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Award

Integrated Substance Misuse Recovery Service

North East Lincolnshire Council

F15: Voluntary ex ante transparency notice

Notice identifier: 2023/S 000-005247

Procurement identifier (OCID): ocds-h6vhtk-03a75d

Published 22 February 2023, 9:26am

Section I: Contracting authority/entity

I.1) Name and addresses

North East Lincolnshire Council

Municipal Offices, Town Hall Square

GRIMSBY

DN31 1HU

Email

procurement@nelincs.gov.uk

Country

United Kingdom

Region code

UKE13 - North and North East Lincolnshire

Justification for not providing organisation identifier

Not on any register

Internet address(es)

Main address

<https://www.nelincs.gov.uk>

Buyer's address

<https://www.nelincs.gov.uk/your-council/finances-spending-and-contracts/contracts-and-tenders/>

I.4) Type of the contracting authority

Regional or local authority

I.5) Main activity

General public services

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Integrated Substance Misuse Recovery Service

II.1.2) Main CPV code

- 85323000 - Community health services

II.1.3) Type of contract

Services

II.1.4) Short description

The Supplier currently provides drug and alcohol treatment services to the to support the Authority's priorities of a stronger community and stronger economy under a contract due to expire on 1st April 2023 (the ISMRS Contract). The ISMRS Contract supports the Authority's strategies and plans of the two local statutory partnerships; the Health and Wellbeing Board and Safer and Stronger Communities Partnership. The services are

available for all ages of people living in North East Lincolnshire as temporary or permanent residents, regardless of ethnicity, culture, disability or sexual orientation.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £12,580,651

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKE13 - North and North East Lincolnshire

Main site or place of performance

North East Lincolnshire

II.2.4) Description of the procurement

The ISMRS Contract was awarded on 1st April 2018 and is due to expire on 1st April 2023. This notice confirms that an extension of 30 months from 1st April 2023 to 1st October 2025 has become necessary.

The Office for Health Improvement and Disparities (OHID) and the Department of Health and Social Care (DHSC) have invited North East Lincolnshire Council to apply for the funding to expand substance misuse services. A condition of receipt of this funding is that current spending on substance misuse treatment and recovery services from the Public Health Grant is maintained at current levels.

The additional funding will be used to expand current delivery. The 'supplemental funding' will support improvements in the quality and capacity of drug and alcohol treatment services in North East Lincolnshire for a 3-year period, 2022 - 2025.

To avoid delay and disruption it is our intention that the additional funding will be offered as an extension and variation to the 'North East Lincolnshire Integrated Substance Misuse' - We Are With You. The provider is meeting the current outcomes and performance indicators associated with the contract and is able to scale up service delivery to meet the extra capacity requirements of this additional funding.

There are a number of significant changes to Public Health services happening at this time, both locally and nationally. Extending and varying this contract will,

- Allow time for the impact of the new 10-year strategy and additional funding to be understood, evidence to be gathered and new specifications developed
- Align all the commissioning timelines across Great Lincolnshire footprint providing an option to recommission a new service for 1st October 2025 across the Greater Lincolnshire patch. It is anticipated that this approach will offer efficiencies and savings to the authority.
- Allow time for new funding streams to be established, with longer term solutions identified.
- Changes to the way NHS and some Public Health services are commissioned. The Provider Selection Regime (PSR), PSR is part of the Health and Social Care Act 2022 passing through parliament.

For these reasons, as explained more fully in Section IV and Annex D, the Authority considers the proposed extension to be justifiable under Regulation 72 of the Public Contracts Regulations 2015, namely Regulation 72(1)(b). The amendments comprising the extension will not be made before the end of a period of at least 10 days from the day after the day of publication of this notice.

II.2.11) Information about options

Options: No

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Award of a contract without prior publication of a call for competition in the cases listed below

- The procurement falls outside the scope of application of the regulations

Explanation:

a) Additional services by the original contractor have become necessary

The Government launched its new 10-year drug plan 'From Harm to Hope' this year with an ambition to reduce substance misuse to an historic 30-year low. This will see radical changes to the way sub-stance misuse is commissioned and funded in the future.

There are several significant changes to Public Health services happening currently, both locally and nationally. Extending this contract will,

- Allow time for the impact of the new 10-year plan 'From Harm to Hope' and additional funding to be understood, evidence to be gathered and new specifications developed
- Align all the commissioning timelines across the Greater Lincolnshire footprint providing an option to recommission a new service for 1st October 2025 across the Greater Lincolnshire patch. It is anticipated that this approach will offer efficiencies and savings to the authority.
- Allow time for new funding streams to be established, with longer term solutions identified.
- Coincide with the new Integrated Care System (ICS) there are proposed changes to the way health services are procured, taking the commissioning of local authority and ICS health services outside of the Public Contracts Regulations 2015 (PCR). The proposal under the Health and Care Bill is to have a new regulatory Provider Selection Regime which introduces 3 new decision-making routes which will make it easier for commissioners to reach decisions about who provides services.
- Allow time to establish a 'Combating Drugs Partnership Board' as required by The Home Office
- Allow time to understand the new funding streams and how these impact on future

commissioning

b) Technical reasons prevent a change of contractor

The Contract extension will provide time to review the provision of services for substance misuse across the Greater Lincolnshire area, it will align contracts in NL, NEL and Lincolnshire providing an opportunity to commission across a greater footprint with the potential for efficiencies and economies of scale.

The outcome requirements of the new 10-year drugs plan 'From Harm to Hope' along with the associated 3-year extra grant (annually awarded) for treatment provision are very challenging. Advice from Office for Health and Disparities (OHID) is where possible to avoid going out to tender as the introduction of system wide changes will be made more difficult if having to carry out a tender exercise at the same time.

The plan sets out radical changes to the way substance misuse is commissioned and funded in the future. Extending the current contract will allow us to understand the impact these changes will have on future commissioning.

c) Change of contractor would cause significant inconvenience or substantial duplication of costs

The provider is meeting the current outcomes and performance indicators associated with the contract and can scale up service delivery to meet the extra capacity requirements of this additional funding. Not extending the current contract could negatively impact the delivery of drug and alcohol treatment as described and require implementing a contingency arrangement resulting in significant difficulty and duplication of costs.

d) Any increase in price does not exceed 50% of the value of the original contract

The value of the original contract for years 1-5 was £12,580,651 and the maximum extension value is therefore £6,290,325.50. The value of the extension is £4,028,500.

IV.1.8) Information about the Government Procurement Agreement (GPA)

The procurement is covered by the Government Procurement Agreement: No

Section V. Award of contract/concession

Contract No

DN295672

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

1 April 2018

V.2.2) Information about tenders

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor/concessionaire

We Are With You

Part Lower Ground, Gate House, 1-3 St John's Square

London

EC1M 4DH

Country

United Kingdom

NUTS code

- UKI43 - Haringey and Islington

Charity Commission (England and Wales)

1001957

Internet address

<https://www.wearewithyou.org.uk>

The contractor/concessionaire is an SME

No

V.2.4) Information on value of contract/lot/concession (excluding VAT)

Initial estimated total value of the contract/lot/concession: £12,580,651

Total value of the contract/lot/concession: £12,580,651

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

Legal Services

Municipal Offices, Town Hall Square

Grimsby

DN31 1HU

Country

United Kingdom

VI.4.2) Body responsible for mediation procedures

Legal Services

Municipal Offices, Town Hall Square

Grimsby

DN31 1HU

Country

United Kingdom