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**Argyll and Bute Alcohol and Drugs Partnership Progress Report**

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## **1.0 Executive Summary**

Argyll and Bute Council undertook a commissioning process for community based addiction recovery services in 2014 on behalf of the Argyll and Bute Alcohol and Drug Partnership (ADP). In November 2014 the contract was awarded to Addaction Scotland with a start date of 1 January 2015. Awarding this contract has secured a contract, with a service provider recognised for success, that is delivering a consistent level of support across Argyll and Bute and which, as demonstrated by feedback from service users, is working effectively for people who need assistance.

The change to a new national third sector provider inspired views for and against, and created some significant political and media interest. This resulted in the procurement process being subject to an internal review by Argyll and Bute Council and an investigation by Audit Scotland which found that the contract is valid and appropriate.

There were a number of findings and recommendations arising from the Council's internal review and Audit Scotland's review. These findings have been accepted by the ADP Executive and were presented and accepted by the Community Planning Partnership Management Committee on 17 June 2015. The CPP Management Committee is the committee to which the ADP reports. On 19 June 2015, the Council's Audit Committee reviewed the report and noted the findings, recommendations and actions within.

The Council will review the lead in time for contracts to ensure that there is sufficient time for handovers to be completed and contract requirements to be fulfilled prior to commencement. The Council's procurement manual and evaluation of tender documents will be updated to include a clause which states that, where tender bids are close after being evaluated by the tender panel, further discussions will take place to differentiate the bids.

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**2.0 Introduction**

2.1 This report is intended to inform the members of the Performance, Review and Scrutiny Committee of the current and future developments within the Argyll and Bute Alcohol and Drugs Partnership (ADP) following the publication of the review of the commissioning process for community based adult addiction services by Audit Scotland.

2.2 The Argyll and Bute Alcohol and Drug Partnership (ADP) is a partnership of statutory and voluntary organisations working together to achieve a reduction in the harmful effects of alcohol and drugs on both individuals and the wider community. The governance of the ADP sits within the Community Planning Partnership reporting to the CPP Management Committee.

**3.0 Recommendations**

It is recommended that the Performance, Review and Scrutiny Committee note the contents of this report and its findings, recommendations and actions within.

**4.0 Detail**

4.1 On 4 November 2014 the ADP concluded a lengthy procurement process undertaken by Argyll and Bute Council on behalf of the ADP and awarded four geographically based contracts for community based adult addiction services to Addaction Scotland. Addaction Scotland were awarded a three year contract from 1 January 2015.

4.2 The change to a new national third sector provider from the previous 5 local third sector providers inspired views for and against, and created some significant political and media interest. This resulted in the procurement process being subject to an internal review by Argyll and Bute Council and subsequently a further review by Audit Scotland.

- 4.3 Audit Scotland scrutinised minutes, emails and other correspondence from both the ADP and Argyll and Bute Council. Other individuals also submitted information directly to Audit Scotland.
- 4.4 The Audit Scotland investigation findings were issued on 11 May 2015 and is appended to this report for information. The findings within the report have been accepted by the ADP Executive Group, the Community Planning Partnership Management Committee and the Audit Committee and activity is underway to address the recommendations within.
- 4.5 The report lists 3 actions which were taken in response to audit findings, these are:
1. To demonstrate accountability on this contract by reporting to the CPP MC and the council's Audit Committee.
  2. To consider external legal advice on the contract variation regarding compliance with public procurement legislation – that external legal advice subsequently concluded that both the contract and variation are legally binding.
  3. To undertake quarterly performance reporting as per the contractual requirements.

And 4 other recommendations will also be progressed, these are:

1. The lead time for contracts should be assessed to ensure that there is sufficient time for handovers to be completed and contract requirements to be fulfilled.
2. The procurement manual and evaluation of tender documents should be updated to include a clause which states that where tender bids are close after being evaluated by the tender panel, further discussions will take place to differentiate the bids. This should be included for clarifying the position for all involved in the tender process.
3. To demonstrate sound governance, minutes should be taken at all important meetings of the ADP and then agreed at the following meeting.
4. Governance arrangements in the ADP should be improved to enhance openness and transparency. Allowing open discussion and debate on strategy, budgetary information etc will help members to contribute effectively to the work of the ADP. Delivering a robust improvement plan should help with communication difficulties.

Appendix 2 details the actions taken in respect of the audit findings.

- 4.6 The Council, as suggested, has taken external legal advice and the Council's view is that the contract remains valid and appropriate. Audit Scotland also found the allegations made by some regarding conflict of interest within the procurement process to be without foundation.

- 4.7 Feedback received through regular meetings with Addaction has assured the ADP that service users are receiving professional targeted services specifically to address their issues and to assist them on their recovery journey. Addaction have engaged with 123 individuals from January to May 2015 who required support to either stop or reduce their drug or alcohol use and are delivering services in various locations in Argyll and Bute. The second contract monitoring meeting has been scheduled for July and the contract monitoring report will be scrutinised by the ADP Executive Committee on the 24 August 2015.
- 4.8 Other recent developments within the ADP have included the agreement of a 3 year service level agreement with the Argyll and Bute Addictions Team (ABAT) from 1 April 2015. The ABAT delivers clinical, nursing and social work services to service users with complex addiction issues in Argyll and Bute working in partnership with Health, Social Work and Addaction. The service level agreement ensures that Addaction and ABAT have the same performance management framework in place to monitor and measure their performance against an agreed set of outcomes. Arrangements are in place to monitor both these contracts and report on the performance to the ADP Executive Group.
- 4.9 ADP Governance issues highlighted by Audit Scotland were also reported in an investigation by Bill Brackenridge into complaints regarding the allocation of funding to support children and young people with addiction problems. The complaints however were not upheld and the ADP is now, with support from the local Argyll and Bute's Children's Executive Groups, allocating funding to support children and young people who experience addiction problems across Argyll and Bute.
- 4.10 The ADP has also held two development days in January and March 2015 to consider the ADP strategic direction, governance and to strengthen relationships within the ADP. These events were supported by the Scottish Government national support team, other leading organisations in the addictions field and an external mediator. Attendance at both events was good.
- 4.11 The main themes emerging from these two days are being developed further by the ADP, these are:
- Partnership Administration and Governance
  - Whole population approach
  - Recovery Orientated Systems of Care
  - The Delivery Environment
  - Service User Involvement

- Communications
- Data and performance Reporting

An improvement plan is being prepared with support from across the ADP being sought to deliver on the actions identified to support the ADP moving forward.

- 4.12 The ADP has also agreed that there is a requirement to provide independent leadership and strategic vision across the partnership through the appointment of an independent chair who will take the lead role in ensuring the ADP's core outcomes are effectively discharged. The role will be to ensure the ADP is integrated and has close links with relevant strategic and operational structures at both local and national level, to provide the CPP MC with regular reports on the performance of the ADP strategy and services and to ensure the ADP is represented within the CPP and Health & Social Care partnership structure. The role and remit for this post are currently being prepared and it is hoped that an appointment will be made by this autumn.

## **5.0 Conclusions**

- 5.1 The ADP has secured a contract, with a service provider recognised for success, that is delivering a consistent level of support across Argyll and Bute and which, as demonstrated by feedback from service users, is working effectively for people who need assistance.
- 5.2 The focus for the ADP is now on improvements to the ADP governance, structure and building on commitment to partnership working by all members, for the benefit of the people who need our support.

## **6.0 Implications**

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| 6.1 | Policy           | N/A   |
| 6.2 | Financial        | N/A   |
| 6.3 | Legal            | N/A   |
| 6.4 | HR               | N/A   |
| 6.5 | Equalities       | The ADP is committed to working in partnership across Argyll and Bute.                |
| 6.6 | Risk             | Risks with service delivery will be managed through contract monitoring arrangements. |
| 6.7 | Customer Service |   |

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## **Appendices**

Appendix 1 Audit Scotland review of the commissioning process undertaken on behalf of the Argyll and Bute Alcohol and Drug Partnership

Appendix 2 Audit Action Plan