

Case study

Commissioning substance misuse and family support services (Staffordshire)

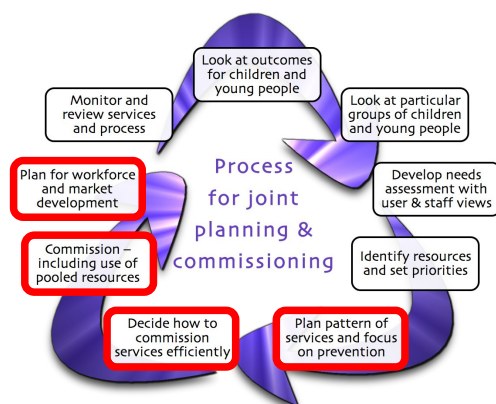
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Overview

This case study describes how the Staffordshire Drug & Alcohol Action Team (DAAT) partnership re-commissioned their young people's substance misuse service in 2006–07.

The study focuses on how stakeholders were involved in service design and how competitive tendering was used to capture innovative working models.

The scope of the new services commissioned includes Tier 2 and 3 drug and alcohol services and a countywide family support service for children and young people with an increasingly complex range of needs. The approach outlined in this case study is transferable to other targeted and specialist services.

Features

- Structured approach to commissioning DAAT services
- Strong engagement with stakeholders to ensure a service design fit for purpose
- Use of competitive tendering, Pre-Qualifying Questionnaire (PQQ) and competitive dialogue to capture innovative practice
- Remodelling of service provision to improve outcomes to increase the numbers of young people achieving education, employment and training outcomes and stability on leaving specialist treatment services

Outcomes & outputs

- Enhanced family support to all parents and carers of young people who have alcohol and drug problems
- Outreach service established providing improved access across the county
- A more outward looking service with stronger links with universal services
- Greater emphasis on successful outcome and discharge planning.
- Significant increase in young people able to access substance misuse services (Tier 2 by 32 per cent and Tier 3 by 41 per cent), whilst making efficiency savings of £34,000 per annum
- An increase from 56 to 70 per cent of young people successfully completing their Care Planned Intervention

Executive summary

This case study describes how Staffordshire County DAAT Partnership re-commissioned their young people's substance misuse service in 2006–07 and how they addressed the various elements of the planning and commissioning cycle.

In particular the case study focuses on stakeholders' involvement in service design and how competitive tendering was used to capture innovative working models e.g. new pathways to post care support and novel treatment approaches. A three-stage procurement model was adopted (outlined in 'Processes and Steps'), which made sure that procurement standards were followed, whilst enabling commissioners to draw on the expertise of stakeholders and providers to shape the service specification.

Benefits from the commissioned services include a new enhanced family support service, increased access to Tier 2 and 3 substance misuse services, financial efficiency savings and substantial improvements in performance.

Two key learning points from this case study are that commissioning takes time and commitment from all involved and that it is crucial to have strong involvement from all stakeholders (in particular young people) in scoping and securing services that are able to meet need. In Staffordshire's experience this time commitment was more than rewarded by the results and improved outcomes for young people.

Authority profile

Staffordshire is a large County with eight District or Borough Councils and two Primary Care Trusts. It contains both rural and urban areas, with around a quarter of the population living in rural areas. This provides stark challenges for service planning and delivery. The overall population is 816,700 (2005 estimate), and the under 19 age group is 195,613 (2005 estimate). There are approximately 17,500 lone parent households with dependent children and 7,850 young people from black and ethnic minority communities (2001 Census). The largest ethnic minority group is Pakistani (0.6 per cent of the total population).

Staffordshire has established a Children's Trust, which includes all stakeholders involved in improving outcomes for children and young people. There is a Joint Commissioning work-stream of the trust that has been working towards setting up a Joint Commissioning Unit. The DAAT's Young People's Commissioner is a vital part of this development.

Background

The young people's substance misuse service in the county had grown in size from a £70,000 project, staffed by 4 part-time staff and serving fewer than 50 young people annually in the late 1990's, to a much bigger service, funded to well over £400,000, employing 8 full-time staff and supporting over 400 young people annually, in 2005–06. During this period (i.e. late 1990's to 2005-06), Tier 2 and 3 drug and alcohol treatment services for young people between 10 and 19 years of age were delivered by one provider. Although funding

had increased over time, it was recognised through ongoing performance management and contract monitoring that the existing services were not reaching all young people in need of support and treatment and some performance targets were consistently not being met. Also it had been identified through consultation with families and directives from the National Treatment Agency (NTA) that a more comprehensive family support and outreach service was required to provide better wrap-round support. Furthermore, as a reduction in funding was expected, it was acknowledged that the whole service would need to be remodelled in order to provide the best service possible within the funding available.

In the spring of 2006, following recommendations by the Young People's Commissioner to review and tender the service, a decision was made by members of the joint commissioning group of the DAAT to re-commission the service. An open approach was to be adopted which included consultation with partners, service users, service providers and other professionals in order to review the current service and to design a new service model.

It was also important to secure a better strategic fit of service planning with Children's Trust and Local Area Agreement (LAA) priorities.

A decision was made to openly tender the young people's substance misuse service for the following reasons:

- To test the market, in order to gain the best quality and best value services for young people in need of treatment and support. The fact that this had not been done before strengthened the need for competitive tendering.
- To identify potential service providers and innovative working models.
- The funding for the service was at a level well above the threshold (£144,371) governed by the Public Contracts Regulations 2006, though the service was not subject to EC tender procedures.

Process and steps

The aims and objectives of the re-commissioning of substance misuse services were to:

- commission a county-wide service fit for purpose within available funding (434K)
- make sure that the new service was designed around the needs of young people and their families and based on best practice
- maximise capacity to identify young people who have substance misuse problems at the earliest opportunity
- provide high quality Tier 2 and 3 services and a parent/carer support service
- improve access to services across the county
- provide a whole family approach, to ensure work done in treatment services was backed up by support to parents/carers and that the need for return to treatment services was minimised with effective work with universal services to secure successful outcomes

The following steps and processes were undertaken¹:

1. Look at outcomes for children and young people

The DAAT young people's commissioning group identified the need to re-model the current service provision in order to create better outcomes for young people and families. There was no existing provision for families, to create the stability necessary for interventions with young people to be successful in the medium to long-term, and treatment targets were not being met by the substance misuse service. By not meeting treatment targets it could be estimated that at least 100 young people each year in the county were not receiving the comprehensive support that they needed to tackle their drug and alcohol use (estimates based on proven methodologies). The DAAT partnership had also been made aware of the shift towards family focused intervention being more successful following extensive research by the National Treatment Agency (NTA). This approach also underpins the Government's drug strategy *Drugs- Protecting Families and Communities* (February 2008).

The group believed that better outcomes could be achieved through more effective partnership working arrangements and that funding could be redirected to family support services by reducing spend on management costs. The focus for commissioning this service was on the needs of young people with substance misuse and their families, with the aim of ensuring that they were supported, and had access to the best quality treatment, advice and guidance. The need for more support for families was recognised as important in improving the effectiveness of the treatment services offered to young people.

2. Develop needs assessment with user and staff views

To get a comprehensive understanding of the complex needs of young people and families engaged with multiple agencies, a range of stakeholders was consulted, including Children in Care, Child & Adolescent Mental Health Services, Connexions, the Youth Offending Service, Youth Service, Staffordshire Children's Trust, supported housing services and above all young people and parents. Consultation with young people included asking them what they currently liked about the existing service; what they would change; and particularly what help and support would assist them to stay drug free or refrain from alcohol abuse. The aim of the consultation was to ascertain what service users and stakeholders felt was needed from treatment services to make them most effective. As well as comprehensive consultation, treatment data was analysed and good practice was researched. This information was used to inform the service specification for the tender which all potential providers received.

3. Identify resources and set priorities

The pooled treatment budget allocation of £434,000 per annum was easily identifiable but came with strict controls, set by the National Treatment Agency (NTA), on its use. The tendering for this service was based on this budget. It could only be spent on specialist treatment services so the challenge for the commissioners was to make best use of the

¹ Following the Joint Planning and Commissioning Framework for Children Young People and Maternity Services, March 2006, DCSF/DH and Others

available funding and, if possible, to attract supplementary funding for complementary services such as family support. Once tendering was underway for the services, the tender documentation guidance notes advised that organisations able to provide matched funding would be welcomed.

Priorities for the new service were set following the needs assessment and consultation exercises and took account of guidelines and policies set by the NTA, Department for Children, Schools and Families (DCSF) and Staffordshire Children's Trust. The priorities focused on good quality prevention work and high quality treatment services for those with complex needs. As the budget could only be used for specialist treatment services (i.e. not preventative work), additional funding was sought from providers to release more funding for preventative work.

4. Plan pattern of services and focus on prevention

- Closer links were developed with the School's Improvement Division in the County Council, to secure a consistent drug prevention education approach across the county.
- Work was undertaken with other youth service providers to improve staff awareness of substance misuse services, to make certain that young people could quickly access good quality intervention and support.
- A key focus was also placed on harm reduction work and on planned support arrangements for those leaving specialist treatments.

5. Decide how to commission services efficiently

A three-stage model was adopted:

Stage 1

An open tender was announced in both trade magazines and in the national press. The first element of the tendering process was to ask providers to complete a Pre-Qualifying Questionnaire (PQQ). The purpose of this was to filter out, at an early stage, organisations which were felt to lack the capacity to deliver the required service or who did not otherwise meet Staffordshire County Council's minimum standards for contracting. Seven organisations (out of eleven) met the criteria set for the PQQ and passed through to Stage 2 and 3 of the process.



Stage 2

The next stage was to start scoping the specification for the new service through competitive dialogue with the potential providers. Each provider was asked to make a presentation, based around key set themes, to a multi-agency joint commissioning tender group and young people's representatives. The purpose of this was to get views from providers about good practice and innovative working models (e.g. new pathways to post care support and novel

treatment approaches) that would enhance the specification for the new service. Providers were also asked to describe their policy and working models for service user involvement and consultation.



Stage 3

A full tender specification for the new service was then developed utilising NTA guidance, and information gained from providers during Stage 2. Examples of good practice, ideology for the service, and innovative care and post care pathways for service users were incorporated into the service specification, as well as consideration being given to emerging national priorities and Staffordshire Children's Trust and LAA targets (the CT targets contain more detail but are aligned with LAA targets). The specification was then circulated to all seven providers inviting them to tender for the service on a competitive basis for the section(s) of the service they felt able to provide, to an agreed (supplied) evaluation format. The process for the tender was then undertaken following Staffordshire's procurement standards and in line with EU regulations. Five out of the original seven organisations decided to tender for the service.

For details regarding the service specification please contact Staffordshire DAAT team.

7. Commission – including use of pooled resources

A fixed price was set for the tender, placing the onus on the potential providers to demonstrate quality and efficiency within a set budget. Prospective providers were required to demonstrate detailed breakdowns as to how they would allocate the available funding with an emphasis on enhancing capacity of the delivery teams. Matched funding was sought where possible to add value to commissioned public funds (in order to not exclude providers who were unable to provide matched funding this was not part of the formal criteria - the focus was to find the best provider).

Assessment of all the bids was undertaken to agreed criteria, which were known to all applicants. Two evaluation panels, one with multi-agency professional representation, and one with young people undertook the assessment and selection of the successful bid.

A 17 year-old former service user, who was a key participant in the young people's panel, said: *"I enjoyed being involved in the process of choosing the service provider. It was interesting to see how different organisations reacted to me and the other young people on the panel – some were much more in tune with what young people wanted from a service than others. The organisations we liked talked to us rather than just the other adults, and also realised we wanted to know about opportunities like college and stuff and not just talk about drugs"*

Contracts were awarded following a stand-off period to the Most Economically Advantageous Tender (MEAT). Full documented feedback was provided to all unsuccessful applicants. The two new providers were given a lead-in period of three and a half months to develop staffing capacity and to source new venues. At the same time the existing provider was given notice about termination of contract, and TUPE negotiations were completed for staff eligible for transfer. At this time handover arrangements were also organised to ensure

continuity of care for all young people engaged with the service during the changeover period.

The new young people's substance misuse and family support service commenced delivery on 1 September 2007. Contracts for the service were awarded to two providers. One provider (CRI T3) delivers Tier 2 and 3 treatment services for young people with drug and alcohol problems, including needle exchange and prescribing. The treatment service includes a range of counselling options, medical and alternative therapies, information, advice and guidance. The other provider (Barnardos) provides a countywide enhanced family support service to young people with substance misuse issues and their parents and carers. The family support service includes family group conferences, conflict resolution, support and mentoring.

The new services have concentrated resources on delivery teams and have reduced management costs so that the value for money obtained from the whole DAAT grant is enhanced. See Outcomes and Output section below for more information.

8. Plan for workforce and market development

The approach to tendering for the new service enabled new providers to enter the market in Staffordshire. The two organisations that now provide the service had not previously supplied this type of provision in Staffordshire, but were experienced in delivering young people's services in similar demographic and geographical areas. Training and workforce development plans have been put in place in line with Staffordshire Children's Trust workforce and Drug and Alcohol National Occupational Standards (DANOS) workforce development competences. There are also plans to recruit volunteers to enhance the family support service through a countywide mentor scheme.

9. Monitor and review services and process

The new services are now delivering to agreed plans and they will continue to be regularly monitored through quarterly performance management review meetings. User feedback forms are used as well as national Treatment Outcome Profile (TOPS) data. The TOPS reports are completed with the individual young person to assess the progress they have made against their care plan. A range of qualitative indicators are captured by the TOPS form. Ongoing data and needs analysis will be undertaken using TOPS data and local performance indicators to inform service delivery priorities for future years.

It is hoped that over time the number of young people accessing Tier 2 and 3 services will stabilise through further developments of preventative and early intervention strategies. One clear target for the services is to increase the percentage of young people who have a planned discharge from treatment services from 56 to 80 per cent over the next three years.

Initial contracts for the services were issued to March 2008 with satisfactory performance leading to a three year contract extension, with an option to extend for a further year".

Outcomes and outputs

The outcomes and outputs achieved by 31st March 2008 include:

- Enhanced family support – support extended to parents and carers as well as young people. Prior to August 2007 there was no family support, in the first seven months to March 2008 over 80 families have benefited from the support of this new service.
- Matched funding from one of the providers, which is a voluntary organisation. This has enabled provision of a more comprehensive family support service despite a reduction in national grant funding.
- Outreach service established providing improved access across the county.
- A more outward looking service with stronger links with universal services, by more effective networking with partners and ensuring clarity of referral pathways. In addition clearer information about the services provided has been supplied to partner agencies.
- Greater emphasis on successful outcome and discharge planning, in line with emerging National Treatment Agency guidance
- A 32 per cent increase in young people accessing Tier 2 advice and information services, (389 →569) year to date compared with the previous year.
- A 41 per cent increase in young people accessing Tier 3 specialist treatment services, (159 →228) year to date compared with the previous year. This shows that young people with complex needs are being identified more effectively and being efficiently referred to appropriate services to access the support they need to beat their alcohol and drug problems.
- The percentage of young people successfully completing the Care Planned Intervention has risen from 56 per cent to 70 per cent.
- In total efficiency savings of £34,000 have been achieved, primarily through reduced management costs by having more cost effective management structures.

A 16 year old service user said: *“The T3 service has really helped me with my problems, and I’ve even been invited in to sit on interview panels for new staff which has been really good, making sure that the staff T3 employs can relate to young people and know how to talk to them about their problems. It was interesting that we (the young people) felt that we’d be more comfortable talking to some applicants more than others about problems, as they listened to us better – we then worked with the staff interview group to decide who we thought should be offered the job”.*

Learning points

A key lesson learned is that sufficient time needs to be allowed for extensive consultation with partners, providers and service users so that they can help shape the specification for new provision. The commissioning process described here took a year to achieve a well-designed service.

The tender exercise was very time consuming and a learning point is the need to be transparent at the outset about the workload, so that panel members can plan for the time commitment needed.

The time required from the panel members was as follows:

- Monthly two-hour meetings throughout the year-long process
- Two days for PQQ evaluations
- Two days for scoping the service specification
- Three days for the final tender evaluation

In addition the commissioning lead had to build in extra time to ensure the smooth running of the process.

The use of a multi-agency and a young people's panel proved very successful. Securing the long-term commitment of partners was seen as crucial to the process and the DAAT Commissioner secured representation from the PCT, Connexions, Education, the Children's Trust and young people. The learning from commissioning this service is that the more partners that can be involved the richer the process will be.

The critical factor in Staffordshire's success was their determination to design a service around the needs of young people and their families. Staffordshire's decision to engage in dialogue with a range of providers has enabled them to refine the service specification using the power of innovative thinking.

The approach used by Staffordshire in tendering for substance misuse and family support services is easily transferable to both other authorities and other targeted or specialist service areas. By engaging in dialogue with users and providers they made certain that they commissioned a service which is well placed to meet the needs of young people with substance misuse issues in the county.

Next Steps

Ongoing monitoring of the contracts for the new services is underway, and flexibility has been built in to the contracts to accommodate changing needs and priorities, including potential efficiency savings that need to be made during the lifespan of the contracts. In preparation for this both service providers have been asked to budget for a possible eight per cent decrease in funding for 2008–09 without loss in activity.

For further information on commissioning and market development, including further case studies & resources, please see: www.ecm.gov.uk/strategy/planningandcommissioning or contact:

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