

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 11 September 2017	<b>Meeting Name:</b> Cabinet Member for Public Health and Social Regeneration
<b>Report title:</b>		Extension of grant awards to inpatient detoxification providers	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Strategic Director of Housing & Modernisation	

## RECOMMENDATIONS

That the Cabinet Member for Public Health and Social Regeneration:

1. approves the extension of grant awards to the two inpatient detoxification providers named in this report for the amounts and periods stated in paragraph 27.
2. notes the revised procurement timescales for the services detailed within this report which represents part of the second and final phase of the overall transformation of Southwark's drug and alcohol treatment system.
3. notes that the proposals within this report, in conjunction with the commissioning activity outlined in paragraph 2, will deliver full year efficiency savings of £42k against these services and will contribute to a programme of continuous substance misuse efficiency savings in the region of £2.8 million against the public health grant between 1 April 2016 and 31 March 2018.

## BACKGROUND INFORMATION

4. The Health and Social Care Act 2012 set out the introduction of a statutory duty for all upper tier local authorities to take appropriate steps to improve and protect the health of people in their locality including individuals with drug and alcohol misuse.
5. On 1 April 2013, by virtue of two statutory transfer schemes signed by the Secretary of State for Health as outlined in the Health and Social Care Act 2012, a number of public health staff and services including responsibility for the commissioning of drug and / or alcohol treatment transferred from Southwark Primary Care Trust (PCT), which was then abolished, to Southwark Council.
6. As the transferring service contracts were due to expire on 30 September 2013, a number of IDM reports prepared by Southwark Drug & Alcohol Action Team (DAAT) have sought and been granted approval to extend provision of a range of substance misuse treatment services, inclusive of the services detailed within this IDM report, by grant agreement as outlined in Table 1:

Decision	Date of extension	Date of Decision	Approver
IDM - Provision of grant awards to drug & alcohol treatment providers	1 October 2013 – 30 September 2014	September 2013	Cabinet Member for Finance, Resources & Community Safety
IDM – Extension of grant awards to drug & alcohol treatment providers	1 October 2014 – 31 March 2015	September 2014	Cabinet Member for Environment, Recycling, Community Safety & Volunteering
IDM – Extension of grant awards to drug & alcohol treatment providers	1 April 2015 – 31 March 2016	March 2015	Cabinet Member for Public Health, Parks & Leisure
IDM – Extension of grant awards to drug & alcohol treatment providers	1 April 2016 – 31 December 2016	March 2016	Cabinet Member for Public Health, Parks & Leisure
IDM – Extension of grant awards to adult substance misuse treatment providers	1 January 2017 – 31 March 2017	December 2016	Cabinet Member for Public Health, Parks & Leisure
IDM – Extension of grant awards to substance misuse treatment providers	1 April 2017 – 30 September 2017	March 2017	Cabinet Member for Adult Care & Financial Inclusion (with delegated responsibility for the portfolio of the Cabinet Member for Public Health & Social Regeneration

Table 1: History of IDM reports for extension of grant award to substance misuse treatment providers 2013-2017

7. Approval for extension of the existing grant agreements was agreed in order to ensure no disruption in access to drug and / or alcohol treatment provision for some of the borough's most vulnerable residents by creating a 'steady-state' of delivery following transfer from the PCT enabling the DAAT to undertake a borough-wide review of the local drug and alcohol treatment system in 2014 to inform future commissioning intentions.
8. On the basis of the borough-wide review, the DAAT developed a two phase commissioning strategy for drug and / or alcohol treatment services in Southwark with the aims of transforming the existing treatment system to deliver better outcomes for service users whilst identifying and delivering a range of efficiency savings against substance misuse expenditure over an initial three year period commencing on 1 April 2015.
9. The primary phase, which took place between February 2015 and January 2016, related to adult community specialist drug and / or alcohol treatment services which resulted in the functions of four adult treatment services being combined into a single adult integrated drug and alcohol treatment system contract. The drug and alcohol treatment services detailed in this report were outside the scope of this procurement.
10. The secondary phase, inclusive of services detailed within this IDM report, commenced in 2016 with the intention of new commissioning arrangements for inpatient detoxification arrangements being in place in 2017.
11. Specialist inpatient detoxification provision (referred to as Tier 4 treatment interventions) are an integral part of Southwark's drug and alcohol treatment system and are specifically intended for service users with complex needs and vulnerabilities that are unable to achieve managed withdrawal and stability in a community based setting.
12. Although community treatment services are accessible and available to all adults resident in the borough identified with a drug and / or alcohol treatment need, there will be service users whose needs are so complex as to require Tier 4 treatment intervention to safeguard their health and wellbeing.
13. Identification of need for assessment, stabilisation and assisted withdrawal / detoxification in an inpatient unit is primarily linked to complexity of need, crisis presentation or requirement for medical stabilisation in an inpatient environment. Aftercare following an inpatient detoxification placement may involve transfer to a residential rehabilitation placement once drug and / or alcohol free or can involve transfer to community-based care through the Southwark Adult Integrated Drug & Alcohol Treatment System service.

#### **KEY ISSUES FOR CONSIDERATION**

14. By changing the basis upon which inpatient detoxification services are procured and awarded, it will enable Southwark's drug and alcohol treatment system to deliver greater benefits for individuals, families and communities across the borough supporting the successful delivery of the council plan and fairer future promises whilst offering better value for money and increased efficiencies.
15. Consultation with service users, stakeholders and other teams within the council has and continues to provide support to the DAAT's proposal for transformational change of the drug and alcohol treatment system in Southwark with the identification of a need to

re-configure service provision to deliver improved outcomes for service users through successful completion of treatment and sustained recovery.

16. The Children's & Adults Board of 11 January 2017 supported the future commissioning intentions for all services referred to in this report with Gateway 1 reports to be presented through the appropriate contract standing order (CSO) decision-making process in line with timescales.
17. It was intended that new commissioning arrangements for inpatient detoxification services would be in place by 1 October 2017. However, unforeseen circumstances have dictated that a longer period of time is necessary with a revised commencement date for the new contracting arrangements of 1 April 2018 for the reasons detailed in paragraphs 18 to 21.
18. The Adult Integrated Drug & Alcohol Treatment System contract held by Lifeline Project Limited since 4 January 2016 was transferred to another provider change, grow, live on 1 June 2017. In effect, this transfer resulted in additional resources and time needed to oversee an effective transition of the contract and to ensure stability for the treatment system. Due to the high number of vulnerable residents engaged with the service, c1300, priority had to be given to the allocation of DAAT officer time to oversee these processes which have reduced the capacity to undertake this procurement project in line with the original proposed timescales.
19. Wider discussions with commissioners in other boroughs around Tier 4 service provision has resulted in a request from two other London boroughs to join the proposed Southwark contracting arrangements which requires additional time to agree tender documentation and to develop service specifications as well as seeking to align the end dates of the current Tier 4 commissioning arrangements for all three boroughs.
20. Further exploration of Southwark's specific requirements, in accordance with local need, has indicated a requirement for seven lots which essentially represents seven individual service specifications and requirements. Due to the nature of these services supporting high risk individuals who cannot be safely managed in community settings, it is of paramount importance to ensure that the time is taken to ensure appropriate planning and service development to safeguard health and wellbeing and reduce risk to life.
21. Discussions with Legal and Procurement officers indicate that it is necessary to seek approval for a further extension of the grant awards detailed in this report for the amounts and periods stated in the table in paragraph 27 in order to allow the procurement of any new service contracts to comply with EU procurement regulation timescales and to ensure no disruption in continuity for vulnerable residents.
22. Whilst it is desirable to change the basis upon how these grant funded services are commissioned at the earliest opportunity, there is also a need to appropriately scope options and undertake procurement to ensure that future arrangements deliver cost efficiencies, best value for money and improve outcomes for service users.
23. Although formal procurement timescales are yet to be finalised, officers are working towards a revised indicative commencement date of 1 April 2018. It should be noted that the proposal to extend the grant awards for a further period of six months between 1 October 2017 and 31 March 2018 will not impact on the proposed savings target of £42k which will be realised in 2017/18.

24. The scope of the relevant drug and alcohol treatment services is outlined in Table 2 with detail on scope and impact referenced at Appendix 1.

<b>Provider</b>	<b>Service Provision</b>
Cranstoun City Roads	Crisis and Planned Admissions - Inpatient Detoxification Service
Equinox Brook Drive	Planned Admissions Inpatient Detoxification Service (Complex Care)

Table 3: Scope of relevant services

25. The drug and alcohol treatment services detailed in this report do not represent the totality of substance misuse treatment service provision in Southwark. A number of other services for adults and young people are delivered by a range of providers including NHS, voluntary sector organisations, Primary Care and Community Pharmacy providers as well as spot purchase arrangements for high intensity interventions such as residential rehabilitation placements across Tiers 2, 3 and 4 of treatment.
26. Whilst the services outlined in paragraph 25 are not commissioned to deliver the service provision detailed within this report, all of Southwark's commissioned drug and alcohol treatment service provision is considered essential component parts of a balanced and effective treatment system as outlined in the National Treatment Agency's (now Public Health England) Models of Care for the treatment of adult drug misusers Update 2006 (NTA, 2006)<sup>1</sup> document.
27. The proposed grant awards are detailed in Table 3 below:

Service / Provider	Proposed grant award	Duration
Crisis & Planned Admissions Inpatient Detox Service / Cranstoun City Roads	99,000	1 October 2017 – 31 March 2018
Planned Admissions Inpatient Detox Service (Complex Care) / Equinox Brook Drive	90,000	1 October 2017 – 31 March 2018

Table 3: Proposed grant awards for services in 2017

28. In order to achieve the savings target for this area of provision, a reduction in grant award funding will be applied to one of the units for the extension period as was the case for Quarters 1 and 2 of 2017/18.
29. All funding decisions for inpatient detoxification admissions are approved through the fortnightly Tier 4 Panel which is chaired by a DAAT officer. In order to ensure that

<sup>1</sup> [http://www.nta.nhs.uk/uploads/nta\\_modelsofcare\\_update\\_2006\\_moc3.pdf](http://www.nta.nhs.uk/uploads/nta_modelsofcare_update_2006_moc3.pdf)

service user needs are met with a lower budget allocation, appropriate length and suitability of placement will be closely monitored by the Chair through the panel.

### **Policy implications**

30. Whilst there is no statute under primary or secondary legislation for the council to provide the types of drug and alcohol treatment services detailed in this report, a new condition was attached to the Public Health grant for 2015/16 which states 'local authorities should seek to improve the take up of and outcomes from drug and alcohol treatment services'.<sup>2</sup>
31. Local authorities are guided by their local joint strategic needs assessment and joint health and wellbeing strategy, and the objectives within the national Public Health Outcomes Framework (PHOF). The extension of grant awards requested in this report is in accordance with the council's public health commissioning responsibilities and Southwark Council's Joint Health and Wellbeing Strategy.
32. Proposals within this report are aligned with key national policy drivers and legislation for drug and alcohol treatment in England including the National Drug Strategy 2010<sup>3</sup> and the HM Government 'Every Child Matters' framework for England and Wales<sup>4</sup> which was launched in 2003 and which underpins the Children's Act 2004.

### **Community impact statement**

33. The joint strategic needs assessment identified the current and projected needs for substance misuse treatment in Southwark. Due to referral processes and the specialist nature of service provision there is currently no detrimental impact to any of the protected characteristics identified within the Equality Act 2010 as considered within the Public Sector Equality Duty.
34. Based on the most recent unrestricted PHE Joint Strategic Needs Assessments data for substance misuse (2014/15) and other available data sources, it is evident that there is a significant need to provide services to adults resident in Southwark that address drug and alcohol misuse issues. The proposals within this report will ensure that individuals, families and communities affected by substance misuse in the borough have access to and receive the appropriate level of support at the time that it is needed. Changing the basis upon which services are commissioned during the period of grant extension will ensure that the overall treatment system is able to successfully deliver in this regard.
35. Commissioners consider it essential that existing services continue to be provided without a detrimental impact on vulnerable service users; their families and communities for whom there could be serious negative consequences if existing services were to cease delivery before new contracting arrangements are in place.
36. The majority of individuals accessing drug and alcohol treatment services have complex needs and multiple vulnerabilities including physical and mental health issues, involvement with the criminal justice system, safeguarding, social exclusion and

---

<sup>2</sup> Grant conditions (Page 9, Paragraph 7)

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/388172/final\\_PH\\_grant\\_det\\_termination\\_and\\_conditions\\_2015\\_16.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388172/final_PH_grant_det_termination_and_conditions_2015_16.pdf)

<sup>3</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/98026/drug-strategy-2010.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/98026/drug-strategy-2010.pdf)

<sup>4</sup> <https://www.education.gov.uk/consultations/downloadableDocs/EveryChildMatters.pdf>

impaired social functioning. Continued engagement with drug and alcohol treatment service provision is essential to help reduce escalating costs being incurred by other council departments, health and social care and Criminal Justice services. Engagement with effective drug and alcohol treatment services helps prevent premature death, the transmission of blood borne viruses and overall deterioration of health and wellbeing. The emotional and financial costs associated with anti-social and criminal behaviour can be prevented by effective substance misuse treatment. 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.

37. The benefits of investment in the provision of effective drug and alcohol treatment has been researched and demonstrated through clinical trials, government and private funded research. The publication 'Making the case for public health interventions' produced by the King's Fund and Local Government Association and Public Health England<sup>5</sup> have identified the following level of return on investment although it should be noted that there are complexities in tracking savings due to the influence of multiple factors on individuals' behaviours:
  - every £1 invested in drug treatment in Southwark saves society £2.50 in reduced health and social care costs and reduced crime.
38. Effective substance misuse treatment also impacts on cross council priorities and the successful delivery of the Southwark Council Plan 2014 – 2018 in relation to the following fairer future promises:
  - 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
  - Healthy active lives – tackling dependency and associated ill-health helps to reduce health inequalities and support people to improve their lives with contribution on a wide range of public health outcomes framework (PHOF) indicators.
  - Cleaner, greener, safer – 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
  - Strong local 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.
39. Annual joint strategic needs assessment support packs are provided by Public Health England (PHE) which demonstrate current and projected drug and alcohol treatment needs in Southwark focusing on adult drug and alcohol and young people's treatment profiles.

### **Resource implications**

40. Contract monitoring arrangements will remain the same through the duration of extension with a comprehensive performance management framework in place for all of the services detailed in this report resourced by DAAT officers.
41. All providers are registered with the National Drug Treatment Monitoring System (NDTMS) where appropriate and required to provide accurate localised treatment data

---

<sup>5</sup> <https://www.kingsfund.org.uk/audio-video/public-health-spending-roi>

on a monthly basis. All data is collated and analysed for the purpose of identifying patterns and trends which are used to inform needs assessment and treatment planning.

### Financial implications

42. The extension of grant awards for the named substance misuse treatment providers will be solely funded from the public Health grant. Funding contributions are confirmed for 2017/18 as outlined in the tables below:

#### **Tier 4 Inpatient Detoxification Services – Cranstoun City Roads & Equinox Brook Drive**

Funding Stream	Grant award 2016/17 (£)	Budget allocation 2016/17	Grant award 1 Apr 2017 – 30 Sept 2017 (£)	Grant award 1 Oct 2017 – 31 Mar 2018	FY equivalent 2017/18 (£)
Public Health grant	180k	180k	90k	90k	180k

Funding Stream	Grant award 2016/17 (£)	Budget allocation 2016/17	Grant award 1 Apr 2017 – 30 Sept 2017 (£)	Grant award 1 Oct 2017 – 31 Mar 2018	FY equivalent 2017/18 (£)
Public Health grant	231k	240k	99k	99k	198k

43. The budget allocation for the services detailed in this report in 2016/17 was £483k of which £411,000 was committed in the grant awards resulting in an identified non-recurrent saving of £72k. In addition, lower activity within the financial year resulted in an additional non-recurrent saving of £119k. As part of the planned substance misuse efficiency savings for 2017/18, a saving of £63k was realised against the adult social care contribution and £42k was realised against the public health grant with the budget allocation reduced to £378k as of 1 April 2017.

### Legal implications

44. Please refer to supplementary advice from the director of law and democracy.

### Consultation

45. The involvement of communities is a key part of service development of all parts of the health system including drug and alcohol treatment. The value of considering the wider views of individuals and communities is critical to facilitating understanding and tackling health and wellbeing issues in the borough. Engagement with the community and with individuals accessing commissioned services is a core principle of the DAAT's commissioning strategy. The impact of services on the community, and the views of the local community about these services, continues to be a core element of the review work of the services described within this report and will continue to be an integral element of service development and monitoring arrangements.

46. The Recovery Support Service is integral to the consultation process and has supported the DAAT to identify appropriate channels for eliciting information from service users, families, partners and stakeholders in relation to the treatment system and to have their voices heard as part of the service design and development process. An example in practice includes service user council representatives taking ownership of consultation processes as part of the borough wide treatment system review which took place in 2014 and facilitating workshop sessions with a variety of individuals with a vested interest in Southwark's drug and alcohol treatment system to ensure that their views were captured and reflected in the design of the new treatment system model. DAAT officers will engage with this service as part of consultation processes for the future of the services detailed within this report.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law and Democracy**

47. This report seeks approval of the award of further grant funding to Cranstoun City Roads and Equinox Brook Drive to provide specialist inpatient detoxification services for a further period of six months from 1 October 2017. Paragraph 42 confirms that the grant funding will be sourced through the public health grant.
48. The decision to approve the recommendation for grant funding is one which is expressly reserved to the cabinet member under Part 3D of the council constitution. The proposed grant awards are consistent with the council's statutory duties and powers (notably the Public Sector Equality Duty imposed by the Equality Act 2010) and with corporate policy, in particular, the fairer future promises.
49. The report advises that it is necessary and appropriate to continue the delivery of these services by way of grant funding in order to allow the procurement of new commissioned services to be completed, in line with the council's new commissioning strategy and also as a result of the recent transfer of a large-scale integrated drug and alcohol treatment contract as noted in paragraph 18. However, the terms of the funding agreements with the existing service providers will continue to apply for the period of extension and will allow the council to withhold or "clawback" funding if necessary in the event that the required services and service delivery outcomes are not achieved.
50. The report notes that future service provision will be subject to formal EU and domestic procurement and governance processes and the council's contract standing orders. Officers will receive legal advice and assistance in relation to those processes.

## **STRATEGIC DIRECTOR OF FINANCE AND GOVERNANCE**

51. The report recommends the extension of grant awards to two inpatient detoxification providers for a six month period from October 2017 detailed within paragraph 27, Table 3. The current grants and the extensions are solely funded by the Public Health grant which has been agreed for 2017/18 as noted in paragraph 42.
52. The grant figure required for the extension is £189k and the proposal will still deliver the planned saving of £42k assigned to substance misuse for 2017/18 as noted in paragraph 43.

## BACKGROUND PAPERS

Background Papers	Held At	Contact
<p>Approval and Award of Grants to Substance Misuse Treatment Service Providers  <a href="http://moderngov.southwark.gov.uk/mg/IssueHistoryHome.aspx?IId=22349&amp;Opt=0">http://moderngov.southwark.gov.uk/mg/IssueHistoryHome.aspx?IId=22349&amp;Opt=0</a>  <a href="http://moderngov.southwark.gov.uk/mg/DecisionDetails.aspx?IId=22349&amp;Opt=1">http://moderngov.southwark.gov.uk/mg/DecisionDetails.aspx?IId=22349&amp;Opt=1</a>).</p> <p>Extension of grant awards to substance misuse treatment providers  <a href="http://moderngov.southwark.gov.uk/mg/DecisionDetails.aspx?IId=50004713&amp;Opt=1">http://moderngov.southwark.gov.uk/mg/DecisionDetails.aspx?IId=50004713&amp;Opt=1</a></p> <p>Equality Impact Assessment: Adult Community Specialist Treatment Services (held by DAAT)</p>	<p>160 Tooley Street            London            SE1 2TZ</p>	<p>Donna Timms            0207 525 7497</p>

## APPENDICES

No	Title
Appendix 1	Scope of service provision and impact

## AUDIT TRAIL

<b>Lead Officer</b>	Gerri Scott, Strategic Director of Housing & Modernisation	
<b>Report Author</b>	Donna Timms, Unit Manager - DAAT	
<b>Version</b>	Final	
<b>Dated</b>	7 September 2017	
<b>Key Decision?</b>	Yes	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		7 September 2017

