

Item No.	Classification: Open	Date: 14 October 2022	Meeting Name: Strategic Director of Children's and Adults' Services
Report title:		Gateway 3 – Variation Decision Adult Integrated Drug and Alcohol Treatment System	
Ward(s) or groups affected:		All wards; people affected by drug and / or alcohol harm	
From:		Strategic Director of Children's and Adults' Services	

RECOMMENDATIONS

1. That the Strategic Director of Children's and Adults' Services, in conjunction with the Cabinet Member for Health and Wellbeing, approve a variation of the Adult Integrated Drug and Alcohol Treatment System (AIDATS) contract with Change, Grow, Live Services Limited to extend the contract for a maximum period of two years, commencing on 1 April 2023 up to a maximum contract value of £11,750,137 with the variations outlined in paragraph 46, making a total contract value of £39,358,348 as outlined in paragraph 47.
2. That the Strategic Director of Children's and Adults' Services, in conjunction with the Cabinet Member for Health and Wellbeing, note that the maximum contract value outlined in paragraph 1 is comprised of the Public Health grant, Supplementary Substance Misuse Treatment and Recovery Grant and Rough Sleeping Drug and Alcohol Treatment Grant funding streams with special conditions associated with the grants outlined in paragraphs 44 and 45.
3. That the Leader of the council agrees a variation of the executive scheme of delegation for the purposes of the above recommendation.

BACKGROUND INFORMATION

A) Policy context

4. On 6 December 2021, the UK Government published a new Drug Strategy 'From harm to hope: A 10-year drugs plan to cut crime and save lives'. The strategy commits the whole of government and public services to come together and share responsibility for combating illegal drug use and its harms and to turn the tide on the demand for drugs through the delivery of the three strategic priorities:

- i. Break drug supply chains;
 - ii. Deliver a world-class treatment and recovery system, and;
 - iii. Achieve a generational shift in the demand for drugs.
5. The strategy details a wide range of commitments including a requirement for local areas to consider alcohol-related harm as well as drugs in their local delivery models, that local areas maintain their existing investment in drug and alcohol treatment in 2022-23 and beyond. The announcement of significant new investment over the three year spending review between 2022-23 and 2024-25, to support local authorities to boost their local treatment system provision in line with the recommendations made in the Independent Review of Drugs: Part Two¹.
6. In 2021, the UK Government launched a new Joint Combating Drugs Unit to drive and support the joined up delivery of all governmental work to combat drug misuse. A new national outcomes framework has been developed along with a requirement for all local authority areas to launch a local Combating Drugs Partnership to provide accountability and oversight of the delivery of the ambitions of the drug strategy at a local level.
7. A new commissioning quality standard has also been published recently in 2022 to support local authorities to commission effective drug and alcohol treatment and recovery services for their residents, which includes understanding need, planning and delivering interventions, assessing whether people with drug and / or alcohol support needs are able to access the right support at the right time, and ensuring the provision of high-quality support for people of all ages from a multi-disciplinary skilled workforce.
8. To effectively deliver the ambitions of the drug strategy at a local level, partnerships must take a whole system approach to combating drug (and alcohol) misuse comprising partnership coordination of activities across all three strategic priority themes outlined in paragraph 4.
9. In Southwark, the new Combating Drugs Partnership will be co-chaired by the Director of Public Health and the Director of Communities (Community Safety) as Senior Responsible Owners (SROs) in recognition of drug supply markets as a driver of crime, violence and vulnerability and community safety impact in the borough and drug use as a health issue requiring care and support including for people affected by someone else's substance use.

B) Commissioned contracts and commissioning intentions for the services

Adult Integrated Drug and Alcohol Treatment System (AIDATS)

10. Community drug and alcohol treatment provision for adults aged 18 years and over is commissioned through the council's AIDATS service contract. Change, Grow, Live Services Limited (CGLSL) is the contracted provider

¹ [Review of drugs: phase two report - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/101444/Review_of_drugs_phase_two_report_-_GOV.UK_(www.gov.uk).pdf)

of the service that commenced on 4 January 2016 and is due to expire on 31 March 2023. The substantive contract is funded from the Public Health grant.

11. The AIDATS service comprises a range of community-delivered evidence-based drug and alcohol treatment interventions. There is an overlap between the age criteria for the AIDATS and Integrated Health Service for Young People (substance misuse and sexual health; IHSYP) with the 18-24 younger adult cohort able to access either service, dependent upon complexity of need.
12. Since 2021, the service has benefitted from investment from new UK Government funding streams as outlined in Section 3 of this background information.

Integrated Health Service for Young People (IHSYP; substance misuse and sexual health)

13. Community drug and alcohol services for children and young people (CYP) up to the age of 18 and younger adults between 18 and 24 years old are currently delivered under the integrated service contract (branded locally as Healthy Young People – HYP). The service is contracted to Brook Young People, a registered charity providing health and welfare services, (with sub-contracting to Change, Grow, Live (CGL) for drug and alcohol service delivery). A Gateway (GW) 3 report is in the council's governance pathway recommending an extension of the contract between 1 February and 31 March 2023 to align with the AIDATS contract. The substantive service is funded from the Public Health grant.
14. Like the AIDATS service, there has been additional investment from new UK Government funding streams into drug and alcohol delivery since 2021.

Substance misuse services in community pharmacy

15. Supervised consumption and needle exchange in community pharmacy are established services in the borough, and are delivered by a number of providers. Pharmacy services to drug users aim to 'assist the service user to remain healthy, reduce drug related harm, provide service users with regular contact with a healthcare professional and help them access further advice or assistance'.
16. Supervised consumption provides a range of service user, family and community harm reduction benefits and is an integral part of an efficient community drug treatment system. Levels of supervision are decided through risk assessment between the AIDATS and the service user. An appropriate pharmacy is identified that can fulfil the prescription and supervised consumption requirements, and which meets the service user's needs (usually directed by proximity to home or place of work).

17. Pharmacy needle exchange services aim to reduce the rate of sharing and other high-risk injecting behaviours by providing sterile injecting equipment and other support as well as ensuring the safe disposal of used injecting equipment. They are accessible to all adult injectors who are using illicit drugs and are not dependent upon resident status.
18. In Southwark, a range of individual pharmacies are directly contracted by the council to provide the services with the current contracts due to end on 31 March 2023. Under these contracting arrangements, the services are commissioned as an additional option for community pharmacies to deliver should they opt to do so and do not represent core business.

Commissioning intentions for the services

19. A Gateway 1 report (attached as a background paper), approved by Cabinet on 7 December 2021, outlined an intention to procure a new all-age service contract in 2022. This was inclusive of the scope of the service specifications for the AIDATS and IHSYP contracts and commissioning responsibility for substance misuse services in community pharmacy under a single integrated contractual arrangement underpinned by the rationale outlined in paragraphs 36 to 45 and 50 of this GW1 report.

C) UK Government drug and alcohol funding streams

Public Health grant

20. The substantive AIDATS, IHSYP and substance misuse services in community pharmacy contracts are funded from the council's Public Health grant. There is a condition attached to the grant that states that '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 services, based on an assessment of need and a plan which has been developed with local health and criminal justice partners'.
21. The terms and conditions of the Supplementary Substance Misuse Treatment and Recovery Grant (SSMTRG) mandates local authorities to maintain at least 2020-21 investment levels from the Public Health grant and other funding streams throughout the three year spending review period of 2022-23 to 2024-25 to be eligible to receive the additional funding.

Rough Sleeping Drug and Alcohol Treatment Grant (RSDATG)

22. In Autumn 2020, the council submitted a successful funding application to the RSDATG, a then £23m fund designed to provide extra support for people sleeping rough with drug and / or alcohol needs to help them to recover and to rebuild their lives, and was awarded funding for a drug and alcohol outreach service for rough sleepers to be hosted within the AIDATS contract. The team has developed a strong treatment presence on the borough's streets and work with existing rough sleeping services to support people sleeping rough to access treatment.

23. Initial funding commenced in January 2021 for up to a 15 month period. Subsequently, confirmation of funding was received to extend the existing project until 31 March 2023, with a drug strategy commitment to continue the funding until 31 March 2025.
24. In May 2022, the RSDATG target cohort scope was expanded to include people at risk of homelessness and local authorities were invited to submit a further application for additional staffing posts, resources and consumables to continue and upscale project delivery between 1 April 2022 and 31 March 2024.

Supplementary Substance Misuse Treatment and Recovery Grant (SSMTRG)

25. The drug strategy 2021 announced significant new investment to boost local drug and alcohol treatment systems. On a national basis, by the end of 2024-25 the additional funding should deliver:
 - i. 54,500 new high-quality treatment places, including: 21,000 new places for opiate and crack cocaine users; a treatment place for every offender with an addiction; 30,000 new treatment places for non-opiate users and alcohol users; a further 5,000 more young people in treatment;
 - ii. 24,000 more people in long-term recovery from substance dependence;
 - iii. 800 more medical, mental health and other professionals;
 - iv. 950 additional drug and alcohol and criminal justice workers; and
 - v. adequate commissioning and co-ordinator capacity in every local authority.
26. Local authorities will realise the programme aims by working with their local partners to achieve the following outcomes:
 - i. reduced likelihood of drug and alcohol related deaths;
 - ii. a reduction in drug and alcohol related reoffending amongst prolific offenders within local areas;
 - iii. increase in the numbers of drug and alcohol users, especially offenders, engaging in treatment as well as increases in those achieving and sustaining recovery; and
 - iv. reduced costs for local health services and police forces due to lower health and crime harms, and lower costs to the criminal justice system (as fewer people are dealt with by the courts).

27. Southwark was identified to become an enhanced area in the first funding tranche from 1 April 2022, which reflects our position as one of 50 local authorities with the highest levels of drug-related harm and need. Tranche 1 areas will see a significant increase in funding allocation across the three year spending review period to support local delivery in line with Dame Carol Black's vision for a world class treatment and recovery system. The additional funding is dependent upon maintaining existing 2020-21 investment levels.
28. Formal notification of financial allocations was confirmed in April 2022 with a four week period to develop a planning proposal. This included a three year programme of quantitative and qualitative ambitions against a suite of pre-determined measures set by the Government. It entails developing a three year outline plan for the borough that underpins our local longer-term vision to increase treatment capacity and quality, to expand the local drug and alcohol workforce, to reduce drug-related deaths and improve access to physical and mental health care, and to build a recovery-oriented system of care.
29. As part of this process, the council was also required to develop a detailed expenditure plan for 2022-23, setting out proposals for the allocation of Year 1 funding totalling £848,212 across ten key outcome areas². Resources, including staffing posts, were proposed for allocation following consultation with stakeholders and utilising local intelligence and needs assessment. Southwark received approval of its initial proposal on 14 June 2022 and will be required to re-submit subsequent proposals for approval throughout 2022-23 should reallocation be necessary, both in the event of accrued underspend, as well as to set out detailed plans for 2023-24 and 2024-25 at a future date that has yet to be confirmed.
30. In line with the aims, objectives and outcomes of the SSMTRG, a significant proportion of the funding allocation for 2022-23 has been approved for commitment to the AIDATS contract by the Strategic Director of Environment and Leisure in a GW3 report dated 8 July 2022 (attached as a background paper) and represents an enhancement of current provision through the continuation of the 2021 Universal Drug Treatment (UDT) grant (now ended) funded criminal justice team, building new staffing capacity and skill mix and investing in drug and / or alcohol related interventions that are unaffordable through existing budgets. The aforementioned GW3 report also approved the contract to be extended by two months until 31 March 2023 in line with the SSMTRG Year 1 funding period.
31. As referenced in paragraph 27, the financial years 2023-24 and 2024-25 will see an increase in funding awarded to Southwark to enhance its local treatment system, outlined as £1.390m in 2023-24 and £2.7m in 2024-25,

² System coordination and commissioning, Enhanced harm reduction provision, Increased treatment capacity, Increased integration and care pathways between criminal justice settings and drug treatment, Enhancing treatment quality, Residential rehabilitation and inpatient detoxification, Better and more integrated responses to physical and mental health issues, Enhanced recovery support, Other interventions, Expanding the competency and size of the workforce.

which is caveated as indicative and subject to Treasury approval. Due to the delayed timescales for Tranche 1 local authorities to submit a proposal for 2022-23, and a reduced Year 1 delivery period, this resulted in an ability to fund more staffing posts sooner on a pro rata basis with all of the benefits this brings for local people with drug and alcohol support needs, but which reduces the budget available for additional staff and projects in 2023-24 as staffing posts will be costed at full time equivalent (FTE).

32. SSMTRG Year 3 delivery in 2024-25 will see a significant uplift when compared to Year 2, and this, in part, will support the drug strategy aim of diversifying the professional skill mix within community treatment services whilst also significantly boosting the number of frontline staff available to work with people. This will increase treatment capacity enabling more people of all ages to access care and will also support a reduction in caseload size, enabling more time to be spent with service users and increasing opportunities for recovery.
33. As such, it is clear that, over the course of the three year project, a significant proportion of the investment will be aligned with community drug and alcohol treatment services and to maximise the benefits of this investment and deliver good outcomes and reduce inequalities requires a stable treatment system and the need for decision-making at a local level to rapidly commit funding to frontline services and re-profile this as rapidly as possible to ensure that no funding is returned to the UK Government.

D) Procurement strategy

34. The publication of the new drug strategy and a commitment to significant UK Government investment in local treatment systems necessitated a pause to the planned procurement detailed in paragraph 19, whilst the implications of the same were explored.
35. The GW1 report did not include reference to the new investment that has since been indicatively allocated to Southwark until 31 March 2025 as this was unforeseen at the time when the report was written and progressed through the council's governance pathway. As such, the GW1 procurement strategy approval is no longer current as a significant amount of the new investment will be aligned with future adult community treatment system provision and will need to be formally committed to the contracting arrangements in order to effectively deliver on the recovery and treatment ambitions of the drug strategy.
36. Since December 2021, this has proven to be a rapidly evolving picture with new implications arising throughout the ensuing period that has required significant engagement across a range of officer disciplines to work through. The development of a planning proposal, including detailed planning for 2022-23 and grant monitoring requirements, has taken up and continues to occupy a significant amount of officer and provider resource, through ensuring compliance with council governance processes and grant monitoring requirements through to formally committing funding to a range

of different organisations and projects and supporting them to implement the same as soon as possible in order to deliver benefits for residents.

37. The new Provider Selection Regime (PSR), which will govern the future procurement of this category of services, is expected to come into force in 2022, subject to parliamentary approval, and this has significant implications for the procurement of the services. The council will require time to embed legislative changes arising from the PSR into its procurement strategy going forwards.
38. Notwithstanding the need to revisit the council's Contract Standing Orders (CSOs) governance process in order to gain approval for an updated procurement strategy approval, it would be highly disruptive for both the council and provider to build in a recommissioning process at this time and there would be an adverse impact on treatment system stability for service users at a time of critical importance to drug and alcohol treatment evolution in Southwark when our collective focus needs to be on effectively implementing the drug strategy for the benefit of our residents.
39. However, as outlined in the GW1 report dated 7 December 2021, there is a significant benefit involved in progressing towards an interim all-age model in the borough at the earliest opportunity and that setting up our system in this way will help to maximise opportunities to significantly improve the drug and alcohol recovery and treatment system for people of all ages through improving transitions, increasing capacity and quality, improving health outcomes and reducing inequalities, and reducing drug and alcohol related deaths.
40. As such, it was planned for a GW3 report to be progressed to Cabinet by December 2022 that sought approval to extend the AIDATS service contract with CGLSL from 1 April 2023 until 31 March 2025 to facilitate treatment system stability and maintain the settled conditions arising from an established service provider that will facilitate the effective delivery of the drug strategy. It was also considered prudent to align CYP substance misuse services currently hosted within the IHSYP contract and commissioning responsibilities for substance misuse services in community pharmacy into the AIDATS contract from the same date to adopt an interim all-age community delivery model for the reasons outlined in paragraph 51 viii and ix.
41. However, an urgent arising service delivery issue identified in August 2022 has resulted in a need to fast-track the GW3 decision process in order to support access and availability of treatment at this critical time.

E) Service delivery considerations

42. The nature of this service is to support many of the borough's most vulnerable residents to access building related services. The desired outcome is to support and increase numbers in treatment, and for those accessing the service, to reduce their drug and / or alcohol use, in order to

reduce harm and prevent premature death. The exceptional circumstances that have arisen, set out in paragraph 48, are out of both the council and provider's control, gives rise to a request to the Leader to deploy his Strong Leader powers. The Leader is requested to agree a variation of the executive scheme of delegation to delegate the approval of this Gateway 3 variation decision to the Strategic Director of Children's and Adult's Services in consultation with the Cabinet Member for Health and Wellbeing.

KEY ISSUES FOR CONSIDERATION

Key Aspects of Proposed Variation

43. The key aspects of the proposed variation are detailed as follows:
- i. An extension of the substantively funded AIDATS contract with CGLSL for a period of two years commencing on 1 April 2023 and inclusive of CYP substance misuse service and commissioning responsibility for substance misuse services in community pharmacy;
 - ii. commitment of additional SSMTRG investment to the AIDATS contract to enhance drug and alcohol treatment provision in the borough in 2023-24 and 2024-25 by increasing staffing capacity and skill mix and investing in drug and / or alcohol specific interventions that are considered to be an integral part of a treatment system, subject to a formal partnership proposal being made to the Office for Health Improvement and Disparities (OHID) in future years and their approval of the same; and
 - iii. commitment of additional RSDATG investment to the AIDATS contract to continue and enhance the delivery of the service in 2022-23 and 2023-24 through maintaining additional staffing posts and new investment for additional staffing posts and project consumables budget.
44. Funding arising from the SSMTRG in 2023-24 and 2024-25:
- i. represents the maximum budget allocation available to the service from Southwark's funding allocation;
 - ii. is caveated as indicative and subject to Treasury approval;
 - iii. is subject to the approval of an annual funding proposal, which shall be agreed by the new Combating Drugs Partnership, and any necessary in-year re-profiling by the Office for Health Improvement and Disparities (OHID);
 - iv. must be spent within the financial year to which it relates or returned to the UK Government;

- v. is only payable to the provider for services delivered during the funding period; and
 - vi. will only be formally committed to the AIDATS contract in the event of point's ii and iii being satisfied, and is included within this variation report for administrative expediency to ensure that funding can be committed as quickly as possible to service interventions that reduce and prevent substance related death, reduce harm and inequalities and improve outcomes for Southwark residents.
45. Funding arising from the Rough Sleeping Drug and Alcohol Treatment Grant (RSDATG) is only payable to the provider for services delivered during the funding period, which will end on 31 March 2024 with funding in financial year 2024-25 not yet confirmed.
46. With all extension options being exercised, the original contract was due to expire on 3 January 2021. It has previously been varied in GW3 reports to extend it to the current end date of 31 March 2023. This GW3 report seeks approval for a further contract extension of two years that was not envisaged in the original five year contractual term. This has arisen as a direct consequence of issues that could not have been foreseen when the contract was originally awarded and the rationale underpinning this further extension is detailed in paragraph 48.
47. The estimated maximum value of this proposed variation is £11,750,137 which, when combined with the previous contract variations and the investment of funding arising from new UK Government funding streams brings the total maximum aggregate contract value to £39,358,348. The value of this variation as a percentage of the overall contract value is 29.9%.

Reasons for Variation

48. There are a number of factors at play which, when combined, create a compelling case in favour of the proposed variations, which are summarised below:
- i. The imminent loss of one of two of the AIDATS service treatment premises and the impact of the current contract end date on the provider's ability to secure new premises to meet the needs of non-opiate and alcohol users at this critical time for treatment and recovery, coupled with the 'move in' period timescales during which there will be no service user access, gives rise to a need for an urgent decision to be taken for the variation.
 - ii. The imminent change of procurement regulations, which shall bring opportunities for enhanced collaboration and a move towards a set of more flexible and proportionate rules for the procurement of these services, and the need for the council to embed PSR legislative

changes into its procurement strategy make a strong case for not progressing a re-procurement at this time.

- iii. The previously approved GW1 procurement strategy approval report is no longer current and would need to be revisited and progressed back through a Cabinet governance pathway. This would give rise to the need for a further extension of the AIDATS service contract into 2023-24 whilst a re-procurement was progressed and would be highly disruptive to planning and delivery of SSMTRG Years 2 and 3 funding, with an inability to focus upon the delivery of the drugs strategy whilst attention was focused elsewhere.
- iv. The council's acceptance of the RSDATG and SSMTRG funding has given rise to two significant additional work programmes, both of which will contribute to the successful delivery of the drug strategy in Southwark, but which need to be managed within existing team resources for the present time. A recommissioning process would be highly disruptive at a time when our focus is upon commissioning projects and services to boost treatment system capacity and delivery and improve outcomes for residents.
- v. Our 2022-23 SSMTRG proposal included an outline plan for all three years of the funding allocation. Whilst this is high level for 2023-24 and 2024-25, there is a need for the council to undertake planning with the community drug and alcohol treatment provider as we get ready to enhance and upscale delivery in future years. Building in a recommissioning process and the potential for a change of provider would be highly disruptive to our planning and the effective delivery of the drug strategy at a local level.
- vi. The provider's delivery of the AIDATS service was rated 'good' by the Care Quality Commission following an inspection in October 2021 with three areas of outstanding practice. This provides the council with assurance that residents receive safe, effective, care from the service.
- vii. The provider has been delivering community adult and CYP drug and alcohol services in Southwark since June 2017 and has developed excellent working relationships with a range of partner organisations and officers. They have a strong presence and visibility across the borough and demonstrate their ability to collaborate with organisations on a day to day basis in order to meet the support needs of local people. This experience and knowledge of Southwark and its communities is considered integral to the borough's ability to effectively deliver the drug strategy without delay.
- viii. At the time when the contract was awarded, the drug strategy 2021, emerging UK Government funding streams and a change of procurement regulations were unknown. As such, the proposals within this report reflect a proportionate response to a number of emerging circumstances that could not have been foreseen and are proposed at

this stage of the contract in order to reduce disruption to the treatment system and enable priority focus on implementing the drug strategy for the benefit of residents.

- ix. Paragraphs 38 to 45 and 50 of the attached GW1 report outline the benefits of moving to an all-age model.
49. The Public Contracts Regulations (PCR) 2015 permit modifications to existing contracts of this nature without the need for a fresh procurement exercise in certain limited circumstances and this is confirmed within the concurrent report of the Director of Law and Governance.

Performance

50. Performance attainment is detailed in a closed version of this report.
51. The new drug strategy and associated investment has a refreshed set of outcome measures that will be used to evaluate the performance of treatment systems. Whilst there is an ongoing national developmental process in relation to these outcomes, it is clear that the previous emphasis on successful completions, representations and planned exits as headline indicators of treatment system effectiveness will change, with other measures becoming more important in assessing success.
52. Consequently, there will be a local need to broaden and diversify the scope of indicators considered as part of contract monitoring in order to truly assess the effective delivery of the drug strategy at a local level. Committing SSMTRG investment to the AIDATS contract will require the refreshed measures to be included as a condition of the variation.
53. Expanding the scope of the AIDATS service to also work with CYP under the age of 18 will also require the inclusion of appropriate and robust performance measures as a requirement of contractual delivery.

Future Proposals for this Service

54. The council remains committed to commissioning an all-age model as detailed in the GW1 report dated 7 December 2021, and future contracting arrangements will be commissioned under the PSR once this has come into force and been interpreted by the council. Approval will be sought through appropriate governance pathway in line with CSOs at a future date that is yet to be confirmed.

Alternative Options Considered

55. **Cease to commission the services on 31 March 2023 when the current contracts end:** The substantive services are funded from the Public Health grant allocation with a condition attached to the payment of the grant. The AIDATS contract detailed in this report represents the council's major vehicle for meeting this condition for people of all ages in the borough.

56. The contract will represent the only community specialist drug and alcohol treatment service provision in the borough for people of all ages and is the primary vehicle for reducing demand for drugs and / or alcohol and preventing and reducing drug related death. Loss of access to treatment would result in significant risk to health and wellbeing and in some cases to life for some of the borough's most vulnerable residents and a breach of the council's statutory duties.
57. **Deliver a procurement with new arrangements to be in place by 1 April 2023:** The rationale for not progressing with a procurement at this time is detailed in paragraph 48.
58. **Extend the current contract beyond 1 April 2023 with no additional services included:** whilst this would ensure service continuity of the substantive contract, the ability to meet the aims, objectives and outcomes of the SSMTRG, RSDATG and drug strategy would be unachievable and the opportunity to improve the treatment system for people of all ages would be missed.
59. **Extend the current contract for a period of one year commencing on 1 April 2023 with additional services included:** whilst this would ensure service continuity and support the ability to work towards meeting the aims, objectives and outcomes of the drugs strategy in 2023-24, this would still result in the disruption and negative outcomes outlined in paragraph 48 iii, iv and v.
60. **Extend the current contract for a period of two years commencing on 1 April 2023 with additional services included:** this is the preferred option as it will ensure service continuity and support the ability to work towards meeting the aims, objectives and outcomes of the drugs strategy in 2023-24 and 2024-25 whilst building capacity for the council and the provider to focus upon the effective delivery of the drug strategy and to interpret the PSR into our procurement strategy.

Identified risks for the Variation

61. The identified risks for the variation are outlined below.

Risk	Risk level	Mitigation
Risk of legal challenge due to offering an extension beyond the original contractual term and / or including new drug and / or alcohol specific projects and services	Low	The need for this further variation has arisen as a direct consequence of unforeseen circumstances when the contract was originally awarded, as outlined in paragraph 48 viii. Regulation 72 (1)(c) will be relied upon.

Non-compliance with performance measures during the period of extension	Low	Proposed performance measures include a range of National Drug Treatment Monitoring System (NDTMS) and locally recorded indicators allowing for different gauges of service effectiveness and performance. There is a need to build in additional measures associated with the allocation of new UK Government funding. Performance is monitored on a minimum monthly basis and as part of formal quarterly contract review. The provider has performance action plans in place to drive improvement and attainment.
Uncertainty about grant funded monies	Low	Break clause to be written into the variation of contract to explicitly cover the grant funding posts.
Provider delivery site security due to premises closure.	Low	Strong Leader delegation decision required due to tight timescales.

Policy implications

62. The policy implications of note at the current time are:

- Public Health grant conditions of funding 2022-23
- Southwark Borough Plan
- Southwark Joint Health and Wellbeing Strategy Refresh 2022 - 2027
- Southwark Joint Mental Health and Wellbeing Strategy 2021 – 2024
- HM Government Drug Strategy – a ten year plan (2022-2032)
- HM Government Serious Violence Strategy 2018
- Southwark Council Extended Learning Review 2019
- Southwark Community Safety Plan 2017 – 2020
- Southwark Stands Together
- Independent review of drugs: part one and part two
- Southwark ‘Tackling the climate emergency together’ Strategy 2021
- Southwark Council’s ‘Fairer Future Procurement Strategy and Framework’ 2019 (includes social value commitments)
- Southwark ‘Youth New Deal’ 2021

- RSDATG conditions of grant funding
 - SSMTRG conditions of grant funding
63. Public health services aimed at reducing alcohol and / or other drug misuse are non-mandated functions, but have been a condition affecting the payment of the Public Health grant to local authorities since 2015-16. Pursuant to section 31(4) of the Local Government Act 2003, the Secretary of State stipulated: “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, based on an assessment of local need and a plan which has been developed with local health and criminal justice partners.’*”
64. The contracts offer a range of benefits and impacts on cross council priorities, as well as playing a key role in the successful delivery of the Southwark Borough Plan in relation to the following Fairer Future themes:
- *A place to call home* – addressing problematic or dependent drug and / or alcohol use supports people to sustain accommodation tenancies and improves housing resilience within a holistic approach to care planning. Additionally, engagement with effective drug and / or alcohol treatment for people sleeping rough plays a key role in supporting the council’s ambition to end rough sleeping in the borough.
 - *Climate emergency* – the location of the service hubs in the heart of the borough are easily accessible through public transport, cycling and walking. The majority of outreach provision is delivered through non-vehicular means. An enhanced virtual treatment offer, developed through our COVID-19 pandemic delivery model learning, and the digital offer for CYP enables people with support needs to engage from home, thus reducing carbon emissions. Engagement with treatment also supports the reduction of the discarding of drug related paraphernalia in public places.
 - *A green and inclusive economy* – the services support people to identify education, training and employment needs and to engage with appropriate services to improve opportunities for sustainable employment. Achieving stability in treatment and sustained recovery enables people to find work, access training and achieve their goals as well as contributing to the local economy.
 - *Tackling health inequalities* – tackling dependency and associated ill-health and sexual and reproductive ill-health helps to reduce health inequalities and support people to improve their lives with contribution to a wide range of outcomes. Addressing support needs helps to tackle health inequalities arising from the same, including supporting people to improve mental health through a reduction in substance use as well as to act as an entry point to facilitating access to blood borne virus testing and treatment.

- *A great start in life* - The services have a key role to play in improving the life chances of the children of parental substance users and reducing harm.
- *Southwark Together* – Effective drug and alcohol treatment provides a platform for facilitating opportunities to improve life chances and outcomes for many of the borough’s most vulnerable residents. Where people are supported to address their substance use, to reintegrate with their community, and are able to access opportunities to improve their life chances, a more fair and just borough is created.

65. A summary of a wider range of policy implications can be found in Appendix 2 of a GW 3 report dated 24 February 2022.

Contract management and monitoring

66. The Drug and Alcohol Action Team (DAAT) in the Environment and Leisure directorate of the council will maintain lead commissioner responsibility for the management and monitoring of the contract working collaboratively with the Public Health division in Children’s and Adult’s. Governance will be provided by the new Combating Drugs Partnership.

67. Contract management and monitoring is primarily achieved through formal quarterly contract review meetings, in arrears aligned with the national data publication schedule, in addition to day-to-day contact to fulfil the purpose of monitoring oversight and a proactive approach to service development. Annual Performance Reports are prepared and presented in line with the council’s Contract Standing Orders.

68. The provider is required to submit comprehensive technical and financial information to the council ahead of the formal review, which is scrutinised by officers and any areas of clarification investigated prior to the meeting. Collaborative working is promoted, although the risk lies with the provider.

69. Where performance concerns arise, an enhanced improvement programme is enacted and a schedule of increased monitoring and review underpinned by robust action plans is adopted.

70. To facilitate RSDATG and SSMTRG grant reporting requirements, a separate process of oversight is necessary and this is currently being worked through for 2022-23 to ensure fit for purpose.

Community, equalities (including socio-economic) and health impacts

Community impact statement

71. Drug and alcohol misuse is a cross-cutting issue that impacts on a wide range of priorities. Drug and alcohol misuse and dependence can result in significant economic, health and social harms to users, their families and the community. These include poor physical and mental health,

homelessness and rough sleeping, family conflict, involvement in crime and unemployment. The health and wellbeing of family members and friends is often impacted by an individual's substance use and a United Kingdom Drug Policy Commission study identified an estimated annual cost of £2bn for these groups aligned with financial support, lost employment opportunities, health service use and being a victim of crime.

72. The use of heroin and crack is strongly aligned with the majority of societal costs of untreated dependence; this is because addiction to these substances is expensive and provides a motivation to commit crime to fund use. Adult drug users not in treatment typically spent £231 per week on drugs in 2009. The cost of illicit drug use to society is substantial with the Home Office estimating £11.4bn in 2015-16 aligned with enforcement, crime, use of health services and deaths.
73. There is significant evidence that investment in effective drug and alcohol treatment significantly reduces the harms of misuse and dependence, and is effective in improving a range of outcomes for all in society. Positive outcomes do not arise from the successful completion of treatment alone, but are evidenced from treatment commencement and engagement in improved health, stability, social functioning and reduction in crime.
74. OHID estimates that adult drug treatment reflects a return on investment for society of £4 for every £1 invested, and that adult alcohol treatment reflects a return of investment for society of £3 for every £1 invested.
75. The services have a key role to play as a demand reduction mechanism within a community resilience and partnership approach to reducing the violence and vulnerability perpetrated towards CYP and adults through drug markets and supply. Commissioning effective and high quality drug treatment, which is targeted towards key user groups and reducing unmet need, will support the borough's efforts to reduce demand for drugs, thus potentially impacting on drug supply and associated harms.
76. An Equality Impact Assessment, undertaken in 2021, identified a range of people with protected characteristics that have drug and / or alcohol support needs that require careful consideration in terms of the service approach and offer. These include, but are not limited to, females, vulnerable CYP, Black Asian and Minority Ethnic people, older people, people with a range of disabilities, and people identifying as Lesbian, Gay, Bisexual, Transgender +. Some groups of people with multiple vulnerabilities, for example, rough sleepers, require a detailed analysis of consideration of protected characteristics, and an appropriate service approach and offer. A separate EIA focused upon rough sleepers was also undertaken in 2021.
77. Analysis evidences that the causes and consequences of drugs and / or alcohol use and dependency for these groups differs, and they experience increased vulnerability and harms from substance use and associated behaviours. Early intervention and facilitation to access appropriate support pathways is critical in terms of reducing the health, social and wellbeing

inequalities faced by people using drugs and / or alcohol problematically, and improving outcomes, including reduced premature mortality.

78. The services detailed in this report provide comprehensive coverage of access to drug and / or alcohol treatment are accessible to any person of any age resident in the borough with a drug and / or alcohol support need, including those affected by the use of another person, regardless of protected characteristic or immigration status. They will continue to provide timely evidence-based drug and alcohol interventions and support to reduce inequalities and maximise positive outcomes throughout the duration of the extension.
79. The EIA demonstrates that the proposal shows no potential for discrimination and all appropriate opportunities to advance equality of opportunity and foster good relations between people with different protected characteristics have been considered.

Equalities (including socio-economic) impact statement

80. There are well established links between drug use and socio-economic factors, with a significantly positive correlation between rates of problematic drug use (opiates and crack cocaine) and local authority deprivation levels, and similarly, higher rates of alcohol dependency in local authority areas with higher levels of deprivation. The prevalence of alcohol specific deaths is over twice as high in the most deprived decile (16.7 per 100k) when compared to the least deprived decile (7.1 per 100k), with rates of drug misuse deaths also reflecting a positive correlation against regions with higher deprivation.
81. Rates of admissions for drug or alcohol specific conditions for males and females evidence a positive correlation with deprivation, with much higher incidences of conditions in the most deprived areas. In 2018, OHID reported that around 20% of children in need are affected by drug misuse, and around 18% are affected by alcohol misuse. Parental drug and / or alcohol misuse is present in around 25% of cases on the child protection register. Drug misuse is a factor in 38% of serious case reviews, and alcohol misuse in 37% of serious case reviews.
82. An inter-related range of structural socio-economic factors, including poverty, inequality, insecure accommodation and / or employment, and access to benefits are experienced by many people with drug and / or alcohol support needs. These factors can also be a cause and consequence of wider issues such as rough sleeping, where vulnerabilities are significantly increased due to a poor, unsafe living situation.
83. Access to effective, high quality drug and alcohol treatment services plays an essential role in reducing health and wellbeing inequalities arising from unmet support needs. Factors associated with successful completion of treatment include being in work and education, as well as a younger age at treatment start and good physical health. This provides support for an

ongoing need of the services to work in partnership with other organisations that provide access to employment, training and education, and healthcare provision, as well as the need to intervene as early as possible in a person's substance-using journey to achieve better outcomes.

84. Frequent use of opiates, previous treatment disengagement, injecting, living in the most deprived decile, having housing problems, and being of white ethnicity are all factors associated with a reduced likelihood of successful treatment completion.
85. 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.
86. 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.
87. Officers have taken steps to ensure compliance with the Public Sector Equality Duty imposed by the Equality Act 2010, as detailed in this section in particular:
 - i. Drug and alcohol Joint Strategic Needs Assessments (JSNAs) for adults and CYP are being finalised by the council's Public Health division, and are due for publication in line with the upcoming re-procurement of the services;
 - ii. The contents of two recently completed EIAs to inform the proposals in this report, including exploration of people with protected characteristics that are particularly vulnerable in relation to drug and / or alcohol misuse, and actions to improve engagement with these individuals;
 - iii. Utilising available data and intelligence, including JSNA and National Drug Treatment Monitoring System (NDTMS) reports, to underpin the delivery of the services that will support people of all ages and complexity of needs in the borough, regardless of protected characteristic or immigration status;
 - iv. A requirement of the services to develop and maintain partnerships with a range of agencies and services that support people from the

range of demographic groups detailed in paragraph 89.

- v. A requirement of the services to commit to embedding the equality diversity and inclusion (EDI) principles of the Southwark Stands Together (SST) programme in service delivery, including a proactive and anti-racist approach to stamp out racism and address inequalities;
 - vi. The services will continue to amplify and champion the voices of people of all ages with lived experience of drug and / or alcohol use; and
 - vii. Opportunities to engage with people of lived experience of drug and / or alcohol use will be continue to be facilitated via an effective partnership with the Recovery Support Service.
88. Less research has been undertaken that specifically considers the evidence on social determinants of health for CYP. Evidence demonstrates the existence of a range of health inequalities in adolescence with significant numbers of CYP experiencing disadvantage; however, the relationship between social determinants and health and social outcomes is not clear.
89. Adolescence is a period of significant change across a range of domains including physical development where CYP adopt behaviours that may be protective or injurious to health, cognitive and behavioural development with the emergence of risk taking behaviours, and emotional and social development where CYP seek more independence and responsibility and develop more intimate (romantic and sexual) relationships with peers.
90. The 'State of the Nation 2017: social mobility in Great Britain' report details evidence that living conditions for CYP can be a cause of inequalities that persist into adulthood. There is also evidence that suggests that CYP that are not in education, employment or training are a greater risk of poor health, unemployment and low quality/wage employment in later life.
91. Since the previous reports, officers have taken additional steps to ensure compliance with the Public Sector Equality Duty imposed by the Equality Act 2010, in particular:
- i. A separately commissioned needs assessment focused upon drugs, violence and vulnerability is being undertaken in 2022-23 and will provide evidence and recommendations for the role of drug and alcohol treatment services within a drugs demand and supply reduction framework; and
 - ii. A needs assessment on substance use and mental ill-health will be commissioned in 2022-23 to improve understanding of the needs of people with these support needs.

Health impact statement

92. The health impact of drug and alcohol misuse is well researched. As detailed in the previous section, drug and alcohol misuse and dependence is more prevalent in areas of high deprivation, which, in turn, correlates with poorer health.
93. DRDs in England and Wales are at the highest levels since records began in 1993, and are also correlated with areas of high deprivation. People who use opiates are more likely to die prematurely than the general population, and sub-groups of drug and / or alcohol users, such as rough sleepers, have much higher vulnerability to premature mortality than the general population. The AIDATS service plays a key role in preventing and reducing rates of drug and / or alcohol related deaths, and reducing death.
94. Substance misuse and dependence not only affects the health and wellbeing of the user, but also has a serious negative impact on the health and wellbeing of their families and carers, including children. Reducing harm to children from parental substance misuse is a high priority for all agencies, and the services have an essential role to play in providing parental users with an effective treatment offer to promote positive benefits for CYP, as well as providing a service specifically for CYP affected by someone else's substance use (AIDATS).
95. Physical health complications occur from the problematic use of drugs and / or alcohol, including BBV infection, liver conditions, sexual health issues, injecting problems such as abscesses, overdose and death. There are particular risks to the unborn children of pregnant users.
96. Mental ill-health can be both a cause and a consequence of drug and / or alcohol use, including anxiety, depression, personality disorders, abuse and trauma and self harm. Concurrent drug and / or alcohol use and mental ill-health are common, necessitating the need for a coherent, strong partnership between the services and community mental health provision.
97. Some CYP use drugs and / or alcohol to deal with difficult emotions, or to manage mental ill-health. The use of drugs and / or alcohol in CYP can also result in increased risk taking, such as unprotected sex and involvement in crime, as well as the short term acute effects of intoxication. The services have strong partnerships with wider health, wellbeing, education and criminal justice services to maximise impact. Delivery of early intervention and prevention is key to reducing the risks of substance misuse to this cohort, and intervening as early as possible to prevent an escalation to problematic use is essential.

Climate change implications

98. The nature of the services requires the use of physical premises, which invariably generate waste and also use energy and consumables. The

service contract offers a range of benefits for the council in order to reduce the climate change implications of the use of a physical hub, and associated service delivery and resources, and these are detailed in the environmental/sustainability section of this report.

99. The services are also delivered through an outreach model; this is primarily on foot, with nil generation of carbon emissions, or by public transport, thus minimising transport-related emissions by spreading them out over many passengers.
100. Access is also available for some services (1:1/ group work) through a remote delivery model accessible via digital technology. Where people access services virtually, there is a reduction in the number of people travelling across the borough to attend a physical hub, thus supporting the reduction of travel-related carbon emissions.

Social Value considerations

Economic considerations

101. The services will continue to be located and primarily delivered within the boundaries of the borough providing local economic benefits for residents employed as staff and service users who are supported to contribute to the local economy through addressing their alcohol and / or other drug use and seeking employment where appropriate.
102. There will be a continued requirement for the provider(s) to pay London Living Wage (LLW) to all employees involved in the delivery of the contract during the extension and this has been confirmed by the provider.
103. The service contract brings additional economic value to the borough as follows:
 - i. **Creating skills and training opportunities** – the service currently works in close partnership with the council’s commissioned RSS which provides service user involvement and peer mentoring to service users in treatment by individuals with lived experience of substance use who have experience of Southwark’s treatment service provision and are further along their recovery journey.
 - ii. As part of integrated working arrangements and creating capacity within the treatment system, CGLSL offers training opportunities for RSS peer mentors and supports their skill development in knowledge of substance use treatment and delivery to enable them to deliver interventions and co-facilitate groups alongside the provider staffing team.
 - iii. **Creating employment opportunities for the long-term unemployed or those not in education, employment or training** – the service provides routes into volunteering and employment for ex-

service users on completion of their treatment, or as part of their long-term recovery journey.

- iv. **Opportunities for apprenticeships** – the provider explores opportunities to support both administrative and health and social care apprenticeships.
- v. **Educational placements** – CGLSL supports local educational establishments with student placements; currently, this includes student social workers and counsellors with the provision of management and supervision for the student and engagement with the educational provider.

104. **Volunteering** – CGLSL are engaged with volunteering services in Southwark to promote service user volunteering as well as providing opportunities for volunteers to gain experience through working with the provider. Since the previous reports, additional economic value brought to the borough by the service contract has been identified as follows:

- i. **Creating skills and training opportunities** – the council has commissioned CGLSL to work with the Recovery Support Service (RSS) in 2022-23 to develop and roll out a peer naloxone project, which will increase opportunities to provide the life saving medication to those who would benefit by people directly affected by drug use and support partnership efforts to prevent and reduce drug related death.
- ii. **Opportunities for apprenticeships** – Subject to Treasury confirmation of Year 3 SSMTRG funding, there will be an opportunity to explore opportunities for apprenticeships in 2024-25 when funding increases.

Social considerations

105. The service contract in itself is about social value – funding high quality alcohol and / or other drugs treatment and support brings significant benefits to the local area, economy, health, and wellbeing of Southwark’s residents and helps to create a more fair and just borough.

106. The key priority for service provision is to improve the health and wellbeing of Southwark residents with drugs and / or alcohol treatment needs, their families, carers and communities and to reduce inequalities. A range of performance measures are in place to monitor service benefits, effectiveness and outcomes; these include physical and mental health, employment, training and education, service pathways and conversion rates, waiting times and completion of treatment.

107. The service contract provides additional opportunities for individuals or groups facing greater social or economic barriers. As previously detailed, engagement in treatment reduces social and economic costs to the borough. Through a robust case management approach, service users are supported to reduce the chaotic aspects of their use through the provision

of an opportunity to increase stability and to recover from dependence / problematic use; this is achieved by helping them to navigate a wide range of services to meet their needs and improve their health, wellbeing and social functioning.

108. Service users are encouraged to engage with the local treatment recovery community in order to establish meaningful use of time to fill the periods that would have previously been focused upon substance use and related activities; this engagement also helps to improve social connectedness and reduce loneliness and isolation for some of the borough's most vulnerable residents.
109. The council places a high level of emphasis on treatment community engagement within this service to ensure that the voices and views of service users are visible in service design and development. Opportunities for treatment community engagement are well publicised, utilised, and enhanced by the RSS.
110. Southwark has high prevalence rates for unmet drug / alcohol treatment need. In order to tackle this, an enhanced assertive outreach approach is embedded within the service specification to engage with people that are hard to reach or for whom services are difficult to access. Additional funding has been provided to boost this provision for people that are sleeping rough through the RSDATG and those with a drug treatment need that are known to the criminal justice system through the UDT grant funded service.
111. As an organisation, CGLSL uses Inklusive Community Interest Company to manufacture and supply wooden safe storage boxes. Inklusive's business activities provide employment opportunities for disadvantaged and disabled people. Where possible, they employed these groups and they work with their partners and customers to encourage employment opportunities for them too.
112. Since the previous report was written, additional benefits in relation to social considerations have been identified as follows.
113. The services play a key role in effectively delivering the drug strategy in the borough and will support Southwark's contribution to the national outcomes set out in paragraph 26. The RSDATG and SSMTRG have been awarded, in part, to support local areas to increase treatment capacity, to prevent and reduce substance related deaths and to engage more people with services in order to reduce unmet need and associated harms and inequalities.
114. In order to tackle the high rates of unmet treatment need in Southwark, additional funding has been specifically targeted to boost community-facing outreach provision for people sleeping rough through the RSDATG, those with a drug / alcohol treatment need that are known to the criminal justice system, including under 18s, and through investment in new staffing posts working in hospitals, health and children's social care environments through the SSMTRG in 2022-23.

115. There will be a continued presence of hidden harm provision delivering a structured support service for children and young people affected by parental or sibling drug and / or alcohol use in order to promote emotional health, wellbeing, protective factors and resilience. This will add social value to enable vulnerable children and young people affected by drugs and / or alcohol to receive support.
116. As part of Year 1 SSMTRG funding, a Parents' and Children's Lead post will be recruited to support the implementation of a whole family approach to treatment. The post-holder will be co-located with children's social care and will support the team to identify children affected by substance related harm and parents with drug and / or alcohol support needs and ensure that they are referred to CGLSL's support services.

Environmental/Sustainability considerations

117. The service supports and promotes responsible behaviour initiatives such as encouraging injecting service users to not discard drug related litter and paraphernalia in public spaces. Additionally, the safe storage boxes supplied by Inklusive CIC are manufactured from sustainable materials and are also easily recyclable.
118. During a 12-month period, the service prevented 6.42 tonnes of waste from going to landfill. Service waste has been recycled into mugs and bottles and has also been used to generate renewable energy (3,033kwh of electricity). The report notes that 1.5% of waste went to landfill because of a shortage of incineration facilities for feminine sanitary waste with suppliers looking to boost capacity in the future to convert this type of waste into energy.
119. Other initiatives include:
- i. Paper usage offset by planting a corresponding number of trees (called Re-leaf);
 - ii. All electricity used is certified Green electricity;
 - iii. Partnership with Sustainable Waste and Fat Face to provide clothes to service users;
 - iv. Working with key suppliers to reduce carbon emissions (a significant number of deliveries are carbon neutral); and
 - v. Reduction of single use plastics.
120. Accreditations with: ISO14001 (Environmental Management System), Energy Savings Opportunity Scheme and SECR (Carbon Reduction)

Financial Implications

121. A maximum contract value of up to £11,750,137 is proposed with funding deriving from the Public Health grant, RSDATG and SSMTRG.
122. Paragraphs 44 and 45 of this report include considerations of financial implications specific to the SSMTRG and RSDATG.
123. It should be noted that whilst the drug strategy makes a commitment to RSDATG funding continuing until 31 March 2025, there has been no communication to the council to date in relation to a 2024-25 funding allocation and as such, funding for this period is not included in this variation report. If and when funding is confirmed at a later date, a subsequent GW3 report will account for this.
124. In line with a GW3 report dated 10 April 2019, CGLSL will continue to recoup Value Added Tax (VAT) and reinvest a proportion into local service delivery.

Investment Implications (Housing Contracts only)

125. Not applicable.

Legal Implications

126. Please refer to the concurrent from the Director of Law and Governance.

Consultation

127. The RSS manager attends the AIDATS quarterly contract monitoring meetings and provides a summary of feedback from people who use the services. Opportunities for lived experience consultation about the services is provided by the RSS on a weekly basis and people can also provide direct feedback to the AIDATS. The council was most recently briefed on feedback provided in July 2022 and this was overwhelmingly positive.
128. Consultation opportunities for people of all ages with lived experience will continue to be sought through the duration of extension, with some SSMTRG funding also allocated for the delivery of an external lived experience consultation.
129. Feedback is provided from partner organisations to both the service provider and the council as part of business as usual delivery and this is acted upon accordingly. As outlined in the GW1 report dated 7 December 2021 (attached as a background paper), there was significant partner support for the proposed all-age model.

Other implications or issues

130. Not applicable.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance REF: [FIN1319]

131. The report seeks approval for a variation of the AIDATS contract with CGLSL to extend the contract for a maximum period of two years commencing on 1 April 2023 up to a maximum contract value of £11,750,137.
132. Paragraph 2 notes the contract value figure is comprised of several funding sources, the Public Health Grant, SSMTRG and RSDATG. The scale of additional funding is noted in paragraph 31, predominantly via the SSMTRG, although this is also noted as indicative and subject to future Treasury approval.
133. Paragraphs 44 and 45 note the conditions attached to the grant funding streams and the potential for unspent funding to be returned to central government.

Head of Procurement

134. This report seeks approval from the Strategic Director of Children's and Adults' Services, in conjunction with the Cabinet Member for Health and Wellbeing of the Council, to vary the Adult Integrated Drug and Alcohol Treatment System contract with Change, Grow, Live Services Limited by two years commencing on 1 April 2023 up to a maximum contract value of £11,750,137.
135. The Strategic Director of Children's and Adults' Services, in conjunction with the Cabinet Member for Health and Wellbeing, notes the reasons for the variation are detailed in paragraphs 48 to 49, the risks are detailed in paragraph 61, management and monitoring of the contract is detailed in paragraphs 66 to 70, the impact on equalities, health and climate change are detailed in paragraphs 72 to 77.
136. This contract pays the London Living Wage. The background and rationale for the variation to contract is set out in paragraph 48 of the report.

Director of Law and Governance

137. This report seeks approval of a variation and extension of an existing contract with Change, Grow, Live Services Limited for the provision of the adult integrated drug and alcohol treatment service, for a maximum period of two years commencing on 1 April 2023.
138. The estimated value of the proposed contract extension is above the advertising threshold for "light touch" services of this nature as defined in the Public Contracts Regulations 2015 (PCR), and whilst the contract has

been extended on previous occasions it does not contain express provision for extension beyond 31 March 2023. This means that a fresh procurement exercise is required unless it is possible to satisfy one or more of certain limited permitted grounds for “modification” under the PCR.

139. Regulation 72 (1) (c) permits modifications in cases where all of the following conditions are fulfilled:-

- the need for modification has been brought about by circumstances which a diligent contracting authority could not have foreseen;
- the modification does not alter the overall nature of the contract; and
- any increase in price does not exceed 50% of the value of the original contract.

140. Where this ground is relied upon the council must also publish a modification notice on the UK Find-a-Tender service.

141. Paragraphs 43 to 46 set out the reasons why it has become necessary to seek an extension of the contract, and paragraph 48 provides further justification for the recommendation to do so.

142. The proposed variation of this contract is consistent with domestic procurement and equalities legislation and the council’s Contract Standing Orders. In particular, paragraph 76 notes the additional steps that have been taken in order to demonstrate and ensure compliance with the Public Sector Equality Duty contained within section 149 of the Equality Act 2010.

Director of Exchequer (for housing contracts only)

143. Not applicable.

Director of Education (for schools contracts only)

144. Not applicable.

PART A – TO BE COMPLETED FOR ALL DELEGATED DECISIONS

Under the powers delegated to me in accordance with the council’s Contract Standing Orders, I authorise action in accordance with the recommendation(s) contained in the above report (and as otherwise recorded in Part B below).

Signature **David Quirke-Thornton**Date **14 October 2022**

Designation **Strategic Director of Children’s and Adults’ Services**

PART B – TO BE COMPLETED BY THE DECISION TAKER FOR:

- 1) All key decisions taken by officers
- 2) Any non-key decisions that are sufficiently important and/or sensitive that a reasonable member of the public would reasonably expect it to be publicly available (see 'FOR DELEGATED DECISIONS' section of the guidance).

1. DECISION(S)
As set out in the recommendations of the report.

2. REASONS FOR DECISION
As set out in the report.

3. ALTERNATIVE OPTIONS CONSIDERED AND REJECTED BY THE OFFICER WHEN MAKING THE DECISION
None.

4. ANY CONFLICT OF INTEREST DECLARED BY ANY CABINET MEMBER WHO IS CONSULTED BY THE OFFICER WHICH RELATES TO THIS DECISION *
None.

* Contract standing order 6.6.1 states that for contract Variations with an Estimated Contract Value of £100,000 or more, the lead contract officer (LCO) must consult with the relevant cabinet member before the decision is implemented.

5. NOTE OF ANY DISPENSATION GRANTED BY THE MONITORING OFFICER, IN RESPECT OF ANY DECLARED CONFLICT OF INTEREST
<i>If a decision taker or cabinet member is unsure as to whether there is a conflict of interest they should contact the legal governance team for advice.</i>
None.

6. DECLARATION ON CONFLICTS OF INTERESTS

I declare that I was informed of no conflicts of interests.*

Signature **David Quirke-Thornton** Date **14 October 2022**

Designation **Strategic Director of Children’s and Adults’ Services**

7. CONSIDERATION GIVEN TO WHETHER, AS A NON-KEY DECISION, THIS SHOULD BE FORWARDED TO THE CONSTITUTIONAL TEAM FOR PUBLICATION IN ACCORDANCE WITH REGULATION 13(4)*

The decision taker should consider whether although a non-key decision, the decision is sufficiently important and/or sensitive that a reasonable member of the public would reasonably expect it to be publicly available. Where there is any doubt, having considered the importance and/or sensitivity of a decision, it should be deemed that Regulation 13(4) would apply.

I consider that the decision be made available for publication under Regulation 13(4).*

Signature **David Quirke-Thornton** Date **14 October 2022**

Designation **Strategic Director of Children’s and Adults’ Services**

* Under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the council is required to put in place a scheme for recording and publishing some officer executive decisions. This process is sometimes referred to as “Regulation 13(4)”.

BACKGROUND PAPERS

Background Papers	Held At	Contact
Gateway 1: All-Age Community Drug & Alcohol Early Intervention, Prevention, Recovery and Treatment System	Environment and Leisure, Communities, Community Safety and Partnerships, Drug and Alcohol Action Team, 160 Tooley Street, London, SE1 2QH	Donna Timms 02075257497
<p><u>Link:</u> (please copy and paste into web browser)</p> <p>https://modern.gov.southwark.gov.uk/documents/s103384/Report%20GW1%20Community%20Drug%20and%20Alcohol%20Services.pdf</p>		
Gateway 3: Adult Integrated Drug and Alcohol Treatment System	Environment and Leisure, Communities, Community	Donna Timms 02075257497

	Safety and Partnerships, Drug and Alcohol Action Team, 160 Tooley Street, London, SE1 2QH	
Link: (please copy and paste into web browser) https://moderngov.southwark.gov.uk/documents/s106079/Report%20-%20GW3%20AIDATS%20Substance%20misuse%20and%20sexual%20health.pdf		
Gateway 3: Adult Integrated Drug and Alcohol Treatment System SMTRG	Environment and Leisure, Communities, Community Safety and Partnerships, Drug and Alcohol Action Team, 160 Tooley Street, London, SE1 2QH	Donna Timms 02075257497
Link: (please copy and paste into web browser) – Report to be published https://moderngov.southwark.gov.uk/mgDelegatedDecisions.aspx?DS=0&bcr=1		

APPENDICES

No	Title
1	Gateway 3 – Variation Decision Adult Integrated Drug and Alcohol Treatment System (AIDATS) 8 July 2022

AUDIT TRAIL

Lead Officer	David Quirke-Thornton, Strategic Director of Children’s and Adults’ Services	
Cabinet Member	Councillor Evelyn Akoto, Cabinet Member for Health and Wellbeing	
Report Author	Donna Timms, Unit Manager – Drug and Alcohol Action Team	
Version	Final	
Dated	29 September 2022	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included

Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Director of Law and Governance	Yes	Yes
Director of Exchequer (for housing contracts only)	Not applicable	Not applicable
Director of Education (for schools contracts only)	Not applicable	Not applicable
Cabinet Member	Yes	Yes
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		14 October 2022