

Report of Strategy & Commissioning

Report to Director of Environment & Housing

Date: 8 September 2014

Subject: Proposed extension of contracts with DISC and CRI for provision of the Drug Intervention Programme (DIP)/ Integrated Offender Management (IOM) services

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of Main Issues

1. The Council currently commissions a number of services that provide targeted support for offenders. These include services that are contracted through DISC and CRI to work with people who are subject to Drug Intervention Programme (DIP)/ Integrated Offender Management (IOM) arrangements which focus on reducing the risk of reoffending linked to an individual's substance misuse. Contracts for these services are due to expire on 30th September 2014, but include provision for a 12 month extension period.
2. Approval is needed to extend the DIP/IOM contracts pending the outcome of a strategic review which also includes other housing related support services for offenders. The review has been delayed because of significant changes in Government policy and the potential impact of these changes on statutory services such as Probation who are integral to the delivery of DIP/IOM. The implications for Council commissioned services, though still not fully understood, will be taken into account as part of the review going forward.
3. The DIP/IOM arrangements are funded from a combination of Public Health Grant, Police & Crime Commissioner (PCC) Community Safety funding and funding from Environment & Housing (Housing Related Support programme). PCC funding to March 2016 has only recently been confirmed following a West Yorkshire wide review of DIP/IOM. Recommendations from this will be considered and addressed through the local strategic review of offender services.

4. Further work will be undertaken with DISC, CRI and key partners during the extension period to ensure a more effective response to changing patterns of offending and substance misuse within the City. A three month notice period has been included within both contracts allowing flexibility to implement new arrangements for the delivery of DIP/IOM within shortened timescales, dependant on the outcomes of the review and re-commissioning process.

Recommendations

5. The Director of Environment & Housing is recommended to approve the invocation of Contracts Procedure Rule 21.1 to enter into a 12 month contract extension with DISC and CRI for provision of the DIP/IOM services pending the outcome of the offender review.
6. The extension period will run from 1st October 2014 to 30th September 2015 with no further option to extend. The cost for each service will be CRI - DIP/IOM Service **£728,678** (comprising £114,178 E&H, £614,500 PCC/PH) and DISC - DIP/IOM Service **£466,629** (comprising £99,344 E&H, £367,285 PCC/PH). The total cost will be £1,195,307.
7. Further work will be undertaken with providers and key partners during the extension period in order to respond to new and emerging priorities for the provision of DIP/IOM locally. Proposals for the remodelling and/or re-commissioning of these services will be the subject of a further report.

1. Purpose of this Report

- 1.1. This report seeks approval to enter into a 12 month contract extension with both CRI and DISC to ensure ongoing support for people who are subject to Drug Intervention Programme (DIP)/ Integrated Offender Management (IOM) arrangements as a result of their offending background and substance misuse.

2. Background Information

- 2.1. This decision relates to commissioned services that provide support to people who have an offending background and are subject to the Drug Intervention Programme (DIP)/ Integrated Offender Management (IOM). The DIP services delivered by CRI and DISC are funded from a combination of Public Health Grant, Police & Crime Commissioner (PCC) Community Safety funding and funding from Environment & Housing (Housing Related Support programme).
- 2.2. A major review of drug and alcohol treatment services has been undertaken by officers from Environment & Housing, The Office of the Director of Public Health, Adult Social Care and Children's Services resulting in an ongoing procurement. The purpose of this is to ensure best use of resources through the commissioning of services that are more integrated and have an increased focus on recovery in line with changes to national and local strategy. Though not in scope for this particular procurement, the role of DIP/IOM and other commissioned services for offenders will be informed and affected by the introduction of the new city-wide treatment and recovery service from June 2015.

- 2.3.** The review of services commissioned for offenders and those at risk of re-offending has also been delayed due to Government changes in national policy relating to offender management. In January 2013, the Government published '*Transforming Rehabilitation – A Revolution in the Way We Manage Offenders*' setting out its proposals for reforming the delivery of offender services. The commissioning process for Probation services is ongoing and contracts are due to be awarded towards the end of 2014. The impact of these changes on existing services, and how this will affect their future role, is not fully known but will be taken into account as part of the offender review going forward.
- 2.4.** The two services provided by DISC and CRI which support people subject to DIP/IOM were until recently part funded by the Home Office DIP Grant to the Council. In April 2012, this grant became part of the Police & Crime Commissioner (PCC) budget. The PCC committed to continue funding for DIP during the 2012/13 financial year, though at a reduced rate (reflecting cuts to overall budgets). Contractual commitments were reduced accordingly. The PCC has now confirmed that funding will continue until March 2016, which provides an opportunity to undertake a local strategic review of DIP/IOM services to inform future funding and operational decisions.

3. Main Issues

- 3.1.** DISC and CRI provide a range of specialist support for people who have a history of offending and substance misuse. The services delivered by CRI and DISC work within the DIP/IOM arrangements based at Mabgate Mills. They provide arrest referral, throughcare and aftercare, case management and housing related support to individuals subject to DIP/IOM. This includes those being released from prison.
- 3.2.** Specifically CRI and DISC provide a combination of housing related support and other specialist support relating to accessing drug treatment services and compliance with treatment or supervision plans aimed at reducing re-offending. This can include working in partnership with West Yorkshire Probation Trust to ensure service users comply with the statutory requirements of their Order or Licence.
- 3.3.** In January 2013, the Government published '*Transforming Rehabilitation – A Revolution in the Way We Manage Offenders*', setting out its proposals for reforming the delivery of offender services. It is expected that up to 55% of the current work carried out by the local Probation Trust will be outsourced with contracts due to be awarded in winter 2014, and commencing April 2015. The contracts will provide mandatory supervision to people leaving prison and may include elements of housing related support that are currently provided by services commissioned through Environment & Housing.
- 3.4.** The full impact of these changes will be assessed through the strategic review process and will inform decisions concerning any re-commissioning and remodelling. These changes may not be fully known until at least April 2015 and therefore the additional 12 months extension is required to maintain continuity of service until further details are known. Further work will be undertaken with providers and key partners to ensure a more effective response to changing patterns in offending and substance misuse locally, during the extension period.

Providers have recently identified named staff to work around domestic violence. The service will seek to place a greater emphasis on tackling alcohol misuse and domestic violence. Discussions will be arranged with providers and partners to look at ways of broadening out the use of Fixed Penalty Notices and other out of court disposals, including referrals for alcohol related offences.

- 3.5.** The drug and alcohol review identified a number of key findings including an understanding that there has been a shift in the prevalence of Class A substance misuse and that a response is required for different substances in particular alcohol, New Psychoactive Substances (NPS's) and cannabis. In addition there is clear evidence of the links between substance misuse and domestic violence offending and the numbers of looked after children where substance misuse is a feature. The proposed contract extension period would allow for a strategic review of services and a period of consultation with providers and service users to meet these new and emerging priorities within the City.
- 3.6.** The available extension, if applied, would enable the current DIP/IOM contracts with DISC and CRI to run for a further 12 months ending 30th September 2015. By this time, the local strategic review of offender services will be completed. In the meantime, ongoing work to improve outcomes and ensure best value will be undertaken with existing providers and key partners.

4. Corporate Considerations

4.1. Consultation and Engagement

- 4.1.1. Extensive consultation was undertaken as part of the review of commissioned services for people with drug and alcohol problems. This involved structured interviews with clients and staff of existing providers including DISC and CRI (although DIP/IOM is not within scope for the procurement of a new city-wide drug and alcohol service).
- 4.1.2. A project team is being established to oversee the review of offender services including DIP/IOM arrangements. This comprises representatives from key partners (eg Public Health, Police, Probation, YOS, Community Safety), who support the proposal to extend contracts with existing providers in order to maintain and review service delivery.

4.2. Equality and Diversity / Cohesion and Integration

- 4.2.1. An Equality Impact Assessment screening tool has been completed and included as background information to this report. This indicates that a full assessment is not required because there will be minimal if no disruption to existing services for the 12 month period of the contract extensions.
- 4.2.2. A detailed Equality Impact Assessment (EIA) will be undertaken as part of the offender review to help identify where there are gaps in services and/or issues for particular equality groups. Any changes to existing provision will be fully considered and managed in consultation with providers, service users and wider stakeholders through the review and re-commissioning process.

4.3. Council Policies and City Priorities

4.3.1. The DIP/IOM services contribute directly to priorities within the Safer & Stronger Communities strand of the City Priority Plan 2011-2015, by helping reduce crime levels and the impact of crime through work with individuals to address their substance misuse and offending behaviour.

4.3.2. These services contribute to priorities within the Leeds Drug & Alcohol Strategy 2013-2016 and the Best Council Plan 2013-2017, by delivering health promotion and helping to increase the number of successful completions from drug and alcohol treatment programmes to support recovery.

4.3.3. DIP/IOM services also contribute to priorities within the Health & Wellbeing and Safer, Stronger Communities strands of the City Priority Plan 2011-2015 and Leeds Homelessness Strategy 2012-15, by helping people to make healthy lifestyle choices and to live safely and independently in their own homes.

4.4. Resources and Value for Money

4.4.1. The annual contract value for CRI is £728,678. The annual contract value for DISC is £466,629 giving a total cost for both contract extensions of £1,195,307. The investment from Environment & Housing is £213,522 per annum with the remainder being funded from the PCC Community Safety Fund and Public Health. There is existing budget provision to meet the contract costs.

4.4.2. Efficiencies of £250,451 on the CRI contract and £167,481 on the DISC contract were achieved in 2013. As part of a strategic review of services further work will be carried out to ensure that any remodelling/re-commissioning of services achieves best value and use of resources.

4.4.3. Performance is managed through quarterly monitoring returns and contract management meetings. DISC and CRI continue to meet the targets as set out in the service specification and compare favourably with similar provision nationally.

4.5. Legal Implications, Access to Information and Call In

4.5.1. This is a key decision and as such is subject to call in. There is provision remaining for one 12 month extension within the existing contract arrangements.

4.6. Risk Management

4.6.1. The Home Office DIP Grant (formerly received by the Council), which part funds the CRI and DISC DIP/IOM services became the responsibility of the PCC in April 2012. This funding was transferred back from the PCC to the Council for the year 2012/13 and this arrangement will continue until March 2016. The PCC review of DIP/IOM services that was undertaken across West Yorkshire has made a number of recommendations which would suggest there

is a need for a more strategic review of services in Leeds. This review will inform future funding and operational decisions.

4.6.2. Further work will be undertaken during the extension period to address new and changing patterns of offending linked to substance misuse in the City. To allow flexibility around timescales for completion of the review, a three month notice period has been agreed with both DISC and CRI and has been written into the contract Terms and Conditions.

4.6.3. Without any extension arrangements, services will fall out of contract causing significant risk to the Council and its providers. Should the services not continue to be delivered beyond the expiry of the current contracts, this would result in vulnerable people being without support, including those to whom a statutory housing duty may be owed.

5. Conclusions

5.1. DISC and CRI are contracted to provide support to people who have an offending background and are subject to Drug Intervention Programme (DIP)/ Integrated Offender Management (IOM) arrangements. It is therefore essential that they remain in contract to maintain delivery, and allow for a period of review of existing services.

6. Recommendations

6.1. The Director of Environment & Housing is recommended to approve the invocation of Contracts Procedure Rule 21.1 to enter into a 12 month contract extension with DISC and CRI for provision of the DIP/IOM services pending the outcome of the offender review.

6.2. The extension period will run from 1st October 2014 to 30th September 2015 at a cost of CRI - DIP/IOM Service **£728,678** (comprising £114,178 E&H, £614,500 PCC/PH) and DISC DIP/IOM Service **£466,629** (comprising £99,344 E&H, £367,285 PCC/PH). The total cost will be £1,195,307.

6.3. Further work will be undertaken with providers and key partners during the extension period in order to respond to new and emerging priorities locally for the provision of DIP/IOM. Proposals for the remodelling and/or re-commissioning of these services will be the subject of a further report.

7. Background Documents¹

7.1. Equality, diversity, cohesion and integration screening.

7.2. Letter from PCC office confirming continuity of funding until March 2016.

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.