

Report of Strategy and Commissioning

Report to Director of Public Health

Date: 27 February 2017

Subject: Request to vary the contract awarded to DISC for the Community Drug and Alcohol Prevention Treatment and Recovery service (known as Forward Leeds) contract value under Contracts Procedure Rules 21.7

Are specific electoral wards affected? If yes, 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: Access to Information Procedure Rule 10.4.2 and 10.4.3 Appendix 1: Savings Proposals and Annual Budget Breakdown	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Summary of main issues

1. In 2014 the 5 year contract for delivery of the Community Drug and Alcohol Prevention, Treatment and Recovery Service (YORE-9F7N76) was awarded to DISC (Developing Initiatives for Support in the Community) with the new service, known as Forward Leeds, commencing on 1 July 2015.
2. Subsequent reductions in public health funding equating to 10% of the Leeds budget have necessitated a review of drug and alcohol services in order to accommodate this new budget position. Immediate efficiencies of 2% were found and the contract value for the Forward Leeds service was reduced by £170k p.a. during 2016/17.
3. Ongoing discussions have resulted in further savings of 8% being identified and approval is now sought to reduce the annual contract value by £670k with effect from 1 April 2017.

Recommendations

1. The Director of Public Health is asked to note the proposals for achieving savings of £670k p.a. in the Community Drug and Alcohol Prevention, Treatment and Recovery Service (YORE-9F7N76), known as Forward Leeds.

2. The Director of Public Health is recommended to approve in accordance with Contract Procedure Rule 21.7 a variation to the contract price for the Community Drug and Alcohol Prevention, Treatment and Recovery Service (YORE-9F7N76) known as Forward Leeds, to reduce the contract price by £670k p.a. with effect from 1 April 2017. The new contract price will be £7,659,730 p.a.

1. Purpose of this report

1.1 The purpose of this report is to:

- 1.1.1 set out proposals for achieving savings of £670k p.a. through the Forward Leeds Service which have been prompted by government reductions to the amount of public health funding in Leeds.
- 1.1.2 request the Director of Public Health to approve in accordance with Contract Procedure Rule 21.7 a variation to the contract price for the Community Drug and Alcohol Prevention, Treatment and Recovery Service (YORE-9F7N76) known as Forward Leeds, to reduce the contract price by £670k p.a. with effect from 1 April 2017.

2. Background information

- 2.1 A review of budgets for Commissioned Drug and Alcohol services was undertaken during 2015/16 by the Office of the Director of Public Health following a Government announcement that Public Health Funding was to be reduced and in-year savings were to be found. The decrease equated to a 10% budget cut for Leeds and plans to deal with the reduction were developed.
- 2.2 In March 2016, DISC were notified in writing that the Council intended to reduce the annual contract value for the Community Drug and Alcohol Prevention Treatment and Recovery Service, known as Forward Leeds, by £170k (2%) in 16/17 and by a further £670k (8%) from 1 April 2017.

Year	Contract Value p.a.	Reduction
15/16	£8,499,730 actual	
16/17	£8,329,730 actual	£170,000 2%
17/18 onward	£7,659,730 proposed	£670,000 8%

- 2.3 Since then there has been ongoing consultation with DISC to identify and develop an approach to dealing with the proposed reductions which ensures service provision continues to be safe and effective. DISC were able to identify some immediate savings and the contract value was decreased by 2% in 16/17 with effect from 1 July 2016.
- 2.4 Further to ongoing discussions, initial proposals for achieving the 8% reduction were presented to the Public Health Programme Board in October 2016 where there was in principle support for the general approach being taken. DISC and consortium partners continued to jointly develop and finalise their proposals. These were presented to and supported by the Public Health Programme Board on 16th February 2017 and are detailed below.

2.5 The above contract values relate to Leeds City Council (LCC) funded expenditure and exclude the additional investment in the Forward Leeds service made by the Clinical Commissioning Groups in Leeds.

3. Main issues

3.1 Savings Proposals:

3.1.1 The Forward Leeds service is delivered by a consortium comprising DISC (lead partner), St Anne's Community Services, Barca, St Martin's Health Care Service and Leeds and York Partnership Foundation Trust. The consortium partners have met and discussed where budget reductions could be found, and have jointly identified a combination of savings amounting to £670k (8%) which they consider will have the least effect on service users and the core elements of the service.

3.1.2 The key areas in which savings have been found are contained in Appendix 1 which is confidential and not for publication.

3.2 **Ethos** - the approach taken has sought to protect early intervention and family work in line with the priorities for service delivery and the original ethos of the service specification. Forward Leeds has also sought to balance risk so that the impact of the reductions has the least possible risk to clients. The proposals also minimise reductions in staffing levels.

3.3 **Consortium Strength** - the proposed changes can be accommodated by the individual partners involved in the consortium and have been identified through joint discussion and agreement. Forward Leeds advises that other options would potentially have a disproportionate impact making it unviable for some partners to remain in the consortium which would leave a gap in provision and /or expertise. The depth and breadth of this partnership was considered a key strength when the consortium was appointed.

3.4 **Key risks** - A number of key risks have been identified which will be closely monitored through existing contract management arrangements with a view to taking mitigating action should there be an impact on service quality and achievement of outcomes:

3.4.1 *Resource Implications*

A key area of concern is the impact on Dual Diagnosis and the capacity for this specialism to work as there will be a reduction in clinic time. This comes at a time when cuts are being made city-wide within Dual Diagnosis.

Although the reduction of resources in other areas will reduce capacity it is not anticipated this will have the same impact and in some cases the work can be picked up by a different team. Further details can be found in Appendix 1.

3.4.2 *Clinical Costs*

The clinical budget has been reduced to bring it in line with current expenditure levels. This reduction assumes there will be no growth in the number of clients being seen through PCES (Primary Care Enhanced Service) or any increase in clinical costs.

3.4.3 *Non Staffing Cost Reductions*

The marketing budget has been cut significantly and will impact on the delivery of joint public health campaigns.

- 3.5 **Set up Costs** - the proposals do not impact on DISC being able to recoup their set up costs by the end of 17/18 which was the original intention from the outset of the contract. Unplanned savings / underspends from 1 July 2015 to date have enabled them to recoup the majority of these costs already which means they have been able to reduce the budgeted amount for this in 17/18 by £72k. After this date the budgeted amount will not be required for set up costs and will in effect provide a cushion / buffer should there be cost pressures under other budget areas.
- 3.6 A table showing a budget breakdown for the revised contract value of £7,659,730 proposed for 17/18 can be found at Appendix 1.

4. Corporate considerations

4.1 Consultation and engagement

- 4.1.1 The need to identify savings is as a result of government reductions to public health funding. These proposals have been developed following subsequent corporate discussions which identified the need for savings to be found from within commissioned services including drug and alcohol services.
- 4.1.2 Consultation on how best to achieve this in the Forward Leeds service has primarily focused on discussions between LCC and DISC at both a strategic and operational level with DISC in turn consulting with consortium partners. The approach throughout has been to identify savings which enable Forward Leeds to provide a service which remains viable and continues to deliver against the current contract specification which was developed following extensive consultation with service users and other stakeholders.
- 4.1.3 The proposals were discussed by the Public Health Programme Board on 13th October 2016 and 16th February 2017 and with the Executive Member for Health, Wellbeing and Adults on 26th January 2017.
- 4.1.4 Internal advice has been sought from the Projects Programmes and Procurement Unit (PPPU) and finance colleagues as appropriate.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 It is expected that the budget reduction will impact on capacity within the service overall. However, it is not expected to be significant or that any client or equality group will be affected more significantly than any other.
- 4.2.2 Service and equality data will be monitored to ensure there is no differential or adverse impact on the accessibility or effectiveness of the service for different equality groups. In the event that any adverse or differential impact is identified, officers will work closely with Forward Leeds to agree and implement a remedial action plan.
- 4.2.3 An Equality, Diversity, Cohesion and Integration (EDCI) screening assessment has been completed and can be found in Appendix 2 at the end of this report.

4.3 Council policies and best council plan

- 4.3.1 The Forward Leeds service is the principal deliverer of many elements of the Leeds Drug and Alcohol Strategy and Action Plan which has four key aims:

- People choose not to misuse drugs and alcohol
- More people recover from drug and alcohol misuse
- Fewer children, young people and families are affected by drug and alcohol misuse
- Fewer people experience crime and disorder related to the misuse of drugs and alcohol (this is also a key objective of the Safer Leeds Strategy)

4.3.2 The Forward Leeds service also contributes to a number of other Council and city wide plans and objectives including:

- The Best Council Plan which includes “supporting healthy lifestyles and supporting communities and tackling poverty” amongst its aims
- The Leeds Joint Health and Wellbeing Strategy outcome of “People will live longer and healthier lifestyles”
- “Supporting people to live longer and have healthier lives” which is a key aspiration of the Leeds vision ‘to be the best city in the UK by 2030’.

4.4 Resources and value for money

4.4.1 The proposed reduction will enable the council to achieve further efficiency savings of 8% bringing the total from this service to 10% which is in line with the overall reduction to public health grant funding in Leeds.

4.4.2 Implementing a lower reduction would require the Council to find additional savings from elsewhere which would put greater pressure on other services. A higher reduction would potentially result in a substantially remodelled and scaled back service requiring a variation to the contract specification. It could also undermine the viability of the Forward Leeds consortium and the added value of this partnership approach to delivery.

4.4.3 The proposals for achieving an 8% reduction are considered to represent best value for money in that they minimise the effect on service users, delivery of a safe and effective core service, and the viability of the consortium.

4.4.4 This reduction relates to LCC funded expenditure and excludes the additional investment in the Forward Leeds service made by the Clinical Commissioning Groups in Leeds.

4.5 Legal implications, access to information, and call-in

4.5.1 CPR 21.7 states that all contract variations must be in writing and signed by the Council and the provider. Public Health has already consulted and agreed the reduced contract value with the provider. There is no variation to the service specifications. Once this report has been approved, a formal contract variation agreement will be prepared and published by PPPU.

4.5.2 Although there is no overriding legal obstacle preventing the variation of this contract, the contents of this report should be noted. In making the final decision, the Director of Public Health should be satisfied that the course of action chosen represents best value for money.

4.5.3 This is a key decision as the annual reduction of £670,000 is greater than £250,000 and is subject to call in.

4.5.4 Appendix 1 contains information relating to staff posts and commercial arrangements with suppliers which is deemed to be confidential under the Council’s Access to Information Rules 10.4.2 and 10.4.3 respectively.

4.6 Risk management

- 4.6.1 Officers in Strategy and Commissioning will work closely with Forward Leeds through the established contract management arrangements to monitor the implementation and potential impact of the budget reduction and to ensure that the service continues to deliver against the agreed objectives and outcomes of the service specification.
- 4.6.2 Forward Leeds service and equality data will be monitored to ensure there is no differential or adverse impact on the accessibility or effectiveness of the service for different equality groups.
- 4.6.3 In the event that any adverse impact is identified, officers will work closely with Forward Leeds to agree and implement a remedial action plan.
- 4.6.4 The Director of Public Health and senior managers will be kept informed through regular contract management reports and the Executive Member for Health Wellbeing and Adults will be updated as appropriate.

5 Conclusions

- 5.1 The proposed reduction of 8% to the annual contract value for the Forward Leeds service will enable the council to achieve further efficiency savings of 8% bringing the total budget savings from this service to 10% which is in line with the overall reduction to public health grant funding in Leeds.
- 5.2 The proposals for achieving this have been developed by the Forward Leeds consortium taking an approach which seeks to minimise the effect on service users and ensure continued delivery of a safe, effective and viable service which reflects the original ethos and requirements of the service specification.

6 Recommendations

- 6.1 The Director of Public Health is asked to note the proposals for achieving savings of £670k p.a. in the Community Drug and Alcohol Prevention, Treatment and Recovery Service (YORE-9F7N76), known as Forward Leeds.
- 6.2 The Director of Public Health is recommended to approve in accordance with Contract Procedure Rule 21.7 a variation to the contract price for the Community Drug and Alcohol Prevention, Treatment and Recovery Service (YORE-9F7N76) known as Forward Leeds, to reduce the contract price by £670k p.a. with effect from 1 April 2017. The new contract price will be £7,659,730 p.a.

7 Background documents¹

- 7.1 N/A

Appendices

Appendix 1 – Savings Proposals and Annual Budget Breakdown NOT FOR PUBLICATION (contains confidential /exempt information)

Appendix 2 – Equality, Diversity, Cohesion and Integration Screening

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.

Appendix 2

Equality, Diversity, Cohesion and Integration Screening



As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions. Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

Directorate: Public Health	Service area: Strategy & Commissioning
Lead person: Helen Moran	Contact number: 0113 3787851

1. Title: Public health grant cut – Forward Leeds
Is this a: <input type="checkbox"/> Strategy / Policy <input checked="" type="checkbox"/> Service / Function <input type="checkbox"/> Other
If other, please specify

2. Please provide a brief description of what you are screening
<p>A review of budgets for commissioned Drug and Alcohol services was undertaken during 2015/16 by the Office of the Director of Public Health following a Government announcement that Public Health Funding was to be reduced and equivalent savings were to be found. This equated to a 10% budget decrease for Leeds and plans to deal with the reduction were developed.</p> <p>As a result, the contract value for the Community Drug and Alcohol Prevention Treatment and Recovery Service (YORE-9F7N76), known as Forward Leeds was reduced by £170k (2%) in 16/17. Discussions have taken place since then to identify further savings of £670k (8%) from 1 April 2017 and this screening document considers the potential impact of this further reduction to the contract value.</p>

3. Relevance to equality, diversity, cohesion and integration

All the council's strategies/policies, services/functions affect service users, employees or the wider community – city wide or more local. These will also have a greater/lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation. Also those areas that impact on or relate to equality: tackling poverty and improving health and well-being.

Questions	Yes	No
Is there an existing or likely differential impact for the different equality characteristics?		X
Have there been or likely to be any public concerns about the policy or proposal?		X
Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom?	X	
Could the proposal affect our workforce or employment practices?		X
Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations 		X

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.
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4. Considering the impact on equality, diversity, cohesion and integration

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- **How have you considered equality, diversity, cohesion and integration?**

(think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)

The Forward Leeds service is available to all Leeds residents including children/young people as well as adults. Through the consultation that was undertaken prior to the service being commissioned and from analysis of current client data we know that it particularly works with many service users who have complex needs including mental health problems and homelessness and that supporting families is a priority. The requirements of these groups were reflected in the service specification when the service was commissioned.

Discussions have taken place with Forward Leeds regarding the proposed reduction in contract value. The consortium partners involved in delivery of the Forward Leeds service have met and discussed where budget reductions could be found, and have jointly identified a combination of savings amounting to £670k. Consideration of the impact on service provision as set out in the service specification and the impact on service users has been an integral part of this process so as to minimise the impact on the accessibility and effectiveness of the service especially for different equality and key client groups. The proposals have also been discussed with the Public Health Programme Board and the Executive Member for Health, Wellbeing and Adults.

- **Key findings**

(think about any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)

Due to the scale of the reduction there will be reductions in capacity across the service. This will require some functions to be absorbed in other teams and a higher level of referrals into mainstream provider for specialist support. However, it is not expected that any one client group will be impacted any more than another and the service will continue to ensure key/equality clients groups remain a priority.

The service will still continue to delivery against its contractual objectives which include the following aims relevant to the different equality groups:

- To enhance wrap-around support for people with multiple and complex needs.
- To protect children by supporting and treating their parents and carers to reduce/abstain from substance use, thus reducing the likelihood of them being taken into care.
- To ensure effective transitions between young people and adult treatment services.

The service will continue to work with the priority groups set out in the service requirements which includes being pro-active in engaging with hard to reach client groups that may currently be under-represented in treatment, including but not restricted

to:

- Older alcohol and drug users (including misuse of prescription or over-the-counter medication).
- BME and migrant communities.
- Gypsy and traveller communities.
- Traditionally non-help seeking groups of non-OCUs.
- Lesbian, Gay, Bisexual or Transgendered people.
- Sex workers.
- People with learning disabilities.
- People with physical disabilities.
- Young women.
- Parents of children previously taken into care.
- Children at risk of sexual exploitation.
- People with multiple and complex needs.

Although some services will either be absorbed into different teams or clients will be supported to access mainstream provision where appropriate, service users will still have access as required to all core provision set out in the service specification as follows:

- Prevention
- Advice, information and signposting
- Brief Interventions
- Harm Reduction
- Structured support and treatment
- Mental Health Services
- Smoking Cessation Services
- Sexual Health Services
- Residential Detoxification and Rehabilitation
- Hospital In-reach
- Criminal Justice/Offender Support
- Families / Parenting Support
- Recovery Planning and Support
- Wrap around and Aftercare Support
- Mutual aid
- Housing, Employment & Training Support
- Support for Family/concerned others

Structured support and treatment will include specialist or tailored interventions for:

- Pregnant women
- Children and young people
- People with mental health issues (from common mental health issues to severe and enduring)
- Homeless people (including rough sleepers, people at risk of homelessness and those in temporary accommodation)

- Lesbian, gay, bisexual, transgendered Service Users
- Offenders including, but not limited to, those who are subject to Community Orders such as Drug Rehabilitation Requirements (DRRs), Alcohol Treatment Requirements (ATRs) or those released from prison.
- Older people
- Parents of children under 2
- Parents of children taken into care

In terms of accessibility, 5 day a week access through a single point of contact will still be available with delivery continuing through a hub and spoke model which includes three main hubs, primary care hubs and GP practices across Leeds thereby ensuring city wide access to services is maintained.

- **Actions**

(think about how you will promote positive impact and remove/ reduce negative impact)

Through existing contract management arrangements, the ongoing monitoring of service data will enable us to establish any impact on performance and to ensure there is no adverse impact on access to the service and the outcomes for different equality groups. Wide ranging performance data is collated and reported to us by the Forward Leeds service on a regular basis including equality monitoring data, referral numbers and source, and successful completions and representations for different client groups e.g. young people, service users with children etc. Where any adverse impact is identified, the contract manager will work with the service to identify and implement appropriate measures to address the impact.

5. If you are not already considering the impact on equality, diversity, cohesion and integration you will need to carry out an impact assessment.

Date to scope and plan your impact assessment:	
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Date to complete your impact assessment	
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Lead person for your impact assessment (Include name and job title)	
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6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

Name	Job title	Date
Julie Staton	Head of Commissioning, Strategy and Commissioning	02 March 2017
Date screening completed		02 March 2017

7. Publishing

Though **all** key decisions are required to give due regard to equality the council **only** publishes those related to **Executive Board, Full Council, Key Delegated**

Decisions or a Significant Operational Decision.

A copy of this equality screening should be attached as an appendix to the decision making report:

- Governance Services will publish those relating to Executive Board and Full Council.
- The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions.
- A copy of all other equality screenings that are not to be published should be sent to equalityteam@leeds.gov.uk for record.

Complete the appropriate section below with the date the report and attached screening was sent:

For Executive Board or Full Council – sent to Governance Services	Date sent:
For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate	Date sent: 06/03/2017
All other decisions – sent to equalityteam@leeds.gov.uk	Date sent: