

Modification to the Integrated Drug & Alcohol Service contract to include funding from the Rough Sleeping Drug & Alcohol Treatment Grant

Date: 11th November 2024

Report of: Head of Public Health (Drugs, Alcohol, Safer Communities)

Report to: Director of Public Health

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

Approval is being sought to modify the contract with Humankind Support Services Limited for the Integrated Drug and Alcohol Service (61854), in accordance The Health Care Services (Provider Selection Regime) Regulations 2023 (PSR), to include funding provided by the Office of Health Improvement and Disparities to fund specialist support for individuals who are sleeping rough to access and engage with drug and alcohol treatment.

Recommendations

- a) Retrospectively approve the allocation of £756,327 as a contract modification (payment in instalments) to the Integrated Drug & Alcohol Service provided by Humankind Support Services Limited, for the provision of specialist support for people who are sleeping rough from 1st April 2024 to 31st March 2025. This will be done as a modification to this contract in accordance with the provision of the Health Care Services (Provider Selection Regime Regulations) 2023 (PSR).

What is this report about?

- 1 Since 2021, the Office of Health Improvement and Disparities (OHID), in partnership with the Department for Levelling Up, Housing & Communities (DLUHC), has provided funding to local authorities to fund specialist support for individuals who are, or are at risk of, rough sleeping, to access and engage with drug and alcohol treatment and move towards longer-term accommodation, supporting the work of wider homelessness and rough sleeping funding.
- 2 The allocation for 2024/25, the fourth year of the grant, is £756,327. Leeds' programme was reviewed in partnership with OHID in December 2023, with no changes to the amount or scope made. A Memorandum of Understanding between Leeds City Council and OHID is in place.
- 3 Leeds City Council has a contract with Humankind Support Services Limited to deliver the Integrated Drug & Alcohol Service (61854). In previous years the grant has been included in this contract to establish a dedicated team including street-based recovery co-ordinators, outreach activity, psychological support, specialist therapeutic outreach workers and a ring-fenced budget for in-patient detoxification and / or residential rehabilitation. Therefore, approval is being sought to modify the contract value to include an additional £756,327 for the period of 1st April 2024 to 31st March 2025 to continue this activity. The nature and scope of the additional work does not render the contract materially different in character.
- 4 The requirements for this provision will be contained in an annex to the service specification and formally documented by way of a contract variation.

What impact will this proposal have?

- 5 The overall aims of this activity are to:
 - increase the number of people who are sleeping rough or vulnerably housed accessing treatment for substance misuse issues
 - increase the number of people who can successfully complete treatment.
- 6 An Equality, Diversity, Cohesion and Integration Screening has been completed in relation to this decision and there are no issues to be addressed.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 7 The proposal will contribute to achieving the Best City Ambition for Health and Wellbeing through the goal of "providing high quality care as part of an integrated system, with equitable access to essential services which support people to age well and are focused on prevention and early intervention".
- 8 This activity will also contribute to the Zero Carbon ambition, since the type of interventions provided are aimed at improving health and well-being, including the prevention of hospital admissions which helps ensure we better manage our use of resource intensive (and high footprint) health and care services.
- 9 In addition, the proposal supports the Leeds Drug and Alcohol Strategy key outcome to increase the proportion of people recovering from drug and / or alcohol misuse.

What consultation and engagement has taken place?

Wards affected: All

Have ward members been consulted? Yes No

10 Public Health Programme Board was consulted in April 2024.

11 The Executive Member for Equality, Health and Wellbeing was briefed on 6th September 2024.

What are the resource implications?

12 The cost of the project will be wholly met by a grant from OHID, and thus will not incur any expenditure for Leeds City Council.

13 The project will be managed by officers within Adults and Health Commissioning Team, as part on the existing contract management process.

What are the key risks and how are they being managed?

14 Risk management is built into the work of the provider, who has the necessary experience and skills to manage risks required to manage and deliver this project. The provider was inspected by the Care Quality Commission in 2022 and rated Outstanding.

15 The funding will be allocated to Humankind Support Services Limited to deliver the project. Should they fail to deliver the project then there is a risk that Leeds City Council could have to repay the grant to OHID. This will be mitigated by payment in instalments, through robust monitoring of the project by Adults and Health Commissioning Team and through ongoing updates and communication with OHID. Payment arrangements, including the potential for reclaiming any underspend will be included in the specification annex referred to in paragraph 4.

16 Should the decision be taken not to proceed with the proposed option, the impact will be a loss of funding to Leeds and a missed opportunity to support a cohort with complex needs and numerous barriers within society to recover from drug and alcohol misuse.

What are the legal implications?

17 This is a Publishable Administrative Decision as it is a direct consequence of an earlier Key Decision (reference D57793), and as such it is not subject to call in.

18 There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.

19 The grant from OHID is being provided pursuant to section 31 of the Local Government Act 2003. A Memorandum of Understanding which sets out the conditions of the grant and the council's agreement to those is in place.

20 Since 1st January 2024, the commissioning of Health Care Services are subject to PSR and no longer subject to the Public Contracts Regulations 2015 (PCRs).

21 The nature of the activity falls within scope of the PSR, which stipulates how a contract originally awarded under the PCRs can be modified. Regulation 13 of the PSR states:

the modification is attributable to a decision of the relevant authority and both of the criteria in paragraph (2) are met.

(2) The criteria are—

(a) the modification does not render the contract or framework agreement materially different in character, and

(b) the cumulative change in the lifetime value of the contract or framework agreement since it was entered into or concluded is—

(i) below £500,000; or

(ii) less than 25% of the lifetime value of the original contract or framework agreement when it was entered into or concluded.

22 These conditions are met as the modification will only extend the financial capacity to support expanding the existing activities of the contract and will not represent a material change to the content or type of service provided. The value of the modifications to date including this one does not exceed 25% (see below).

Original contract value	Value of previous modifications	Value of proposed modification	Cumulative value of contract modifications	Cumulative modifications as % of original value
£87,916,105.78	£913,323.24	£756,327.00	£1,669,650.24	1.9%

23 As the value is over £500,000, a confirmation of modification will be published on Find a Tender Service (FTS) within 30 days of the contract modification to comply with the transparency requirement.

24 There is no overriding legal obstacle preventing the variation of this contract. In making the final decision, the Director of Public Health should be satisfied that the course of action chosen, as to varying the contract, is the best course of action for the Council and should be satisfied that in doing so it represents best value for the Council.

Options, timescales and measuring success

What other options were considered?

25 No other contracting options were considered as the activity in the report is already in existence, having been funded by this grant since 2021, and it has been agreed with the funder that it should continue in the same form.

26 The alternative would be to not use the allocation from the government. However, this would significantly affect the Council's ability to meet the city aim of increasing the proportion of people recovering from drug and / or alcohol misuse.

How will success be measured?

27 A performance framework and monitoring process will be in place to ensure value for money and delivery of the intended outcomes. In addition, the council will provide OHID with performance information to meet their requirements.

What is the timetable and who will be responsible for implementation?

28 The contract variation will be issued as soon as possible after approval is granted, by officers in the Adults and Health Commissioning Team.

Appendices

- EDCI Screening

Background papers

- None