

Report of Chief Officer Consultant in Public Health (Healthy Living and Health Improvement)

Report to The Director of Public Health

Date: 10 October 2018

Subject: Request to vary the existing contract held with Humankind for the Community Drug and Alcohol Prevention, Treatment and Recovery Service to include existing services for, drug and alcohol service and medical costs to support ongoing delivery; enhanced needle exchange provision to support harm reduction; existing residential detox programme and the re-instatement of the personalisation budget in order to tailor treatment to vulnerable patients including supervised consumption at home.

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. In 2014 the contract for delivery of a combined drug and alcohol prevention, treatment and recovery service for adults, children and young people in Leeds (YORE-9F7N76) was awarded to Humankind with the new service commencing on 1 July 2015. The service (known as Forward Leeds) is delivered by Humankind in conjunction with consortium partners Barca, St Anne's, and Leeds and York Partnership Foundation Trust with the involvement of a number of GP practices across the city.
2. Associated with the delivery of this service are a number of items of expenditure which are essential components of the service, which are paid for separately by the Council. Now that the service has been operational for a period of 3 years, anticipated levels of annual expenditure have been reasonably established for inclusion within the contract for the delivery of a combined drug and alcohol prevention, treatment and recovery service for adults, children and young people in Leeds. These costs are currently paid on a quasi-contract based on activity. Upon advice and support from Procurement and Commercial Services it is now necessary to include these services and costs within the existing contract held with Humankind, based on activity. Budget is established in the Public Health ring-fenced grant.

3. In addition to the above, there has been an increase in needle exchange provision to provide an enhanced service to address the issue of the amount of drug related litter being reported across the city in order to support harm reduction.
4. Supervised Consumption is a key element in the treatment of opiate substance misuse for those undergoing treatment through the Forward Leeds service. As part of the Supervised Consumption service, a small number of clients receive supervised consumption at home for opiate addiction due to disability, chronic illnesses or as a short term measure while recovering from an acute condition. The re-instatement of the personalisation budget in order to tailor treatment to small vulnerable groups including supervised consumption at home is considered essential.
5. In 2017/18 Humankind assumed responsibility for managing the Residential Detoxification Treatment service and ensuring that it was used to support those clients who most benefit from residential detox treatment. Residential detox remains an integral element of the overall Forward Leeds service.
6. Approval is now being sought to formally vary the existing contract held with Humankind to include these existing services for the entirety of the contract, including extension provision. The annual variation value is estimated at £483,720.

Recommendations

7. The Director of Public Health is recommended to approve in accordance with Contract Procedure Rule 21.7 a variation to the existing contract held with Humankind for the Community Drug and Alcohol Prevention, Treatment and Recovery Service (YORE-9F7N76), to include existing services for drug and alcohol service and medical costs to support ongoing delivery; enhanced needle exchange provision to support harm reduction; existing residential detox programme and the re-instatement of the personalisation budget in order to tailor treatment to vulnerable patients including supervised consumption at home, at a cost of £483,720 per annum with effect from November 2018.

1 Purpose of this report

1.1 The purpose of this report is to seek approval in accordance with Contract Procedure Rule 21.7 to vary the existing contract held with Humankind for the Community Drug and Alcohol Prevention, Treatment and Recovery Service (YORE-9F7N76) to include expenditure based on activity associated with the provision of the Forward Leeds drug and alcohol service up to the maximum annual amounts below to support ongoing service delivery. These annual amounts will be valid for the entirety of the contract (including extension provision):

- Naloxone £15,000
- Primary Care Extended Services £75,000
- Vaccinations/Immunisation £10,000
- Needle Exchange £15,000
- Onsite and Alcohol Testing £85,000
- Diagnostics Testing £45,000
- Pabrinex Injectable (upon demand)

1.2 The above are maximum budgets. However, if there is any additional budget required due to increased activity, the provider and commissioner will review to ensure there is no risk to clinical services and there is a seamless service for patients.

1.3 Approval is also being sought to vary the existing contract held with Humankind to include existing services for, enhanced needle exchange provision to support harm reduction (£40,000 per annum); the re-instatement of the personalisation budget in order to tailor treatment to small vulnerable groups including supervised consumption at home in order to support those with a disability, chronic illnesses or as a short term measure while recovering from an acute condition (£18,720 per annum); and the continuation of the residential detox programme (£180,000 per annum). These annual amounts will be valid for the entirety of the contract (including extension provision) at an annual cost of £483,720.

2 Background information

2.1 In 2014 the contract for delivery of a combined drug and alcohol prevention, treatment and recovery service for adults, children and young people in Leeds was awarded to Humankind with the new service commencing on 1 July 2015. The service (known as Forward Leeds) is delivered by Humankind in conjunction with consortium partners (Barca, St Anne's, Leeds and York Partnership Foundation Trust and the involvement of a number of GP practices across the city).

2.2 Associated with the delivery of this service are a number of essential services and items of expenditure which are essential components of the service that are paid for separately by the Council.

3 Main issues

3.1 The expenditure described within this report falls within the items that were identified when drug and alcohol service provision was retendered in 2014. These items are considered essential components for delivering quality drug and alcohol

service provision that is safe and effective. The effectiveness of drug and alcohol services across Leeds would be adversely impacted without these aspects of service provision, especially in relation to broadening access to care through GP practices and providing effective treatment and preventative measures across the service.

- 3.2 Now that the service has been operational for a period of 3 years, anticipated levels of annual expenditure have been reasonably established for inclusion within the contract for the delivery of a combined drug and alcohol prevention, treatment and recovery service for adults, children and young people in Leeds. These costs are currently paid on a quasi-contract based on activity. Upon advice and support from Procurement and Commercial Services it is now necessary to include these services and costs within the existing contract held with Humankind, based on activity. Budget is established in the Public Health ring-fenced grant.
- 3.3 The forecasting of budgets for these items has involved discussions with and the provision of information from Humankind and their delivery partners as appropriate.
- 3.4 Costs have been monitored over 3 years and the proposed budgeted amounts are based on this knowledge.
- 3.5 Payments will be based on activity only and will not exceed the budgeted amount. Humankind will continue to provide quarterly activity data to ensure quarterly payments.
- 3.6 Officers in the Public Health Support Team will continue to work closely with Humankind through the established contract monitoring processes to review expenditure levels and forecasts on a regular basis.
- 3.7 Appropriate clinical advice will be sought in relation to reviewing and agreeing appropriate prescribing, testing and vaccination formularies for the service. Besides demonstrating good practice and compliance with NICE guidance and the British National Formulary this will help ensure Leeds City Council is only incurring legitimate costs relating to the treatment of addiction.
- 3.8 The increase in needle exchange provision to address the issue of the amount of drug related litter being reported across the city is considered essential due to the public health risk, the reputational risk to both Leeds City Council and Forward Leeds, and the need to make sure Leeds is a safe place for all its citizens and communities.
- 3.9 As part of this provision, a post will be created within Forward Leeds to enhance the statutory provision delivered by Leeds City Council (£40,000 per annum).
- 3.10 The post-holder will work in partnership with Leeds City Council partners to agree day-to-day operational aspects of the role, and ensure that there is no duplication of work (such as different teams chasing the same jobs), that the resource is concentrated on areas not currently covered by Leeds City Council statutory provision, and that any gaps in service provision (e.g. due to annual leave) are covered.

- 3.11 Supervised consumption is a key element in the treatment of opiate substance misuse for those undergoing treatment through the Forward Leeds service. It involves a pharmacist observing and supporting the consumption of prescribed substitute medication for opiates to patients where supervision has been requested by the prescriber. This is usual for the first 12 weeks of treatment but may be for longer where appropriate. The primary function of the service is to reduce (and eventually replace) illicit opiate use and in so doing reduce harm and improve the health and psychological well-being of the patient.
- 3.12 This service was re-commissioned from 1 July 2018 following a review of existing provision and consultation with service users, Forward Leeds, pharmacists and the local body which represents their interests, Community Pharmacy West Yorkshire.
- 3.13 The review highlighted that Forward Leeds have a small number of clients (circa 10-12 at any one time) who require treatment for opiate addiction at home because of disability (e.g. double leg amputees), chronic illnesses such as COPD (some are end of life) or as a short term measure while recovering from an acute condition. These clients receive supervised consumption at home through Living Care Pharmacy.
- 3.14 Re-instatement of the personalisation budget to tailor treatment to vulnerable patients will allow Forward Leeds to take responsibility for all arrangements between the pharmacist and the client for the provision of supervised consumption in the home including appropriate quality assurance and the management of risk associated with home visits. Forward Leeds has already established a good working relationship with Living Care pharmacy and would look to continue this. Checks have been made to ensure CRB checks and Standard Operating Procedures are in place.
- 3.15 In 2017/18 Humankind assumed responsibility for managing the Residential Detoxification Treatment service and ensuring that it was used to support those clients who most benefit from residential detox treatment. Residential detox remains an integral element of the overall Forward Leeds service.
- 3.16 Transferring responsibility from Leeds City Council to Humankind has made residential detox a more integral element of the overall Forward Leeds service and streamlined the process for allocating funding to clients to access detox treatment. It has enabled Forward Leeds to make more informed decisions around planning and prioritisation of placements. Forward Leeds has a detailed understanding of residential options and is able to match the client to the most appropriate establishment to suit their treatment needs and has developed strong relationships with residential treatment providers, ensuring smooth transitions from community to residential services and back again. Forward Leeds are also well placed to negotiate best prices and ensure value is added to service delivery wherever possible.
- 3.17 The £180,000 per annum will be ring-fenced for the purpose of residential detoxification treatment only.
- 3.18 The contract value for the Community Drug and Alcohol Prevention, Treatment and Recovery Service is currently £40,958,934 (£8,191,787 per annum) due to a recent contract variation to include additional CCG funding, which equated to an

additional 2.8% increase on the total contract value. The additional £483,720 per annum proposed contract variation will equate to an additional 1.18% based on the current contract value.

4 Corporate considerations

4.1 Consultation and engagement

4.1.1 The expenditure to which this decision relates is linked to the service that has been in operation since 1 July 2015 and was re-commissioned following an extensive period of stakeholder consultation and review during 2014 which included ward members.

4.1.2 In relation to budget requirements and availability for the specific items in this report, consultation has taken place with the service, Adults and Health Commissioning Team, Director of Public Health, Chief Officer (Healthy Living and Health Improvement) and Procurement and Commercial Services (PACS).

4.2 Equality and diversity / cohesion and integration

4.2.1 The drug and alcohol service is available to all Leeds residents but in particular works with many service users who have complex needs including mental health problems and homelessness. It includes dedicated support for expectant mothers, children / young people and families including those participating in the Family Drug and Alcohol Court pilot in West Yorkshire.

4.2.2 The current service has been in operation since 1 July 2015 and reflects the specification of an integrated model of delivery which involved service users in its design and commissioning.

4.2.3 An Equality Impact Assessment Screening Tool has been completed in relation to this decision and is attached for information at Appendix 1.

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 is currently being updated and sets out the following ambition: "Leeds is a city that promotes a responsible attitude to alcohol and where individuals, families and communities affected by the use of drugs and alcohol can reach their potential and lead safer, healthier and happier lives".

4.3.2 The 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"
- the Safer Leeds Strategy objective to "reduce crime related to drugs and alcohol"

- “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 Existing budget is already established for Primary Care Extended Services, needle exchange bin collection, vaccinations/immunisation, naloxone, onsite and alcohol testing, diagnostics, pabrinex vitamin injections, and residential detox within the Public Health budget approved by full Council. Budget has been identified within the Public Health ring-fenced grant for the two additional elements of this report – enhanced needle exchange (£40,000) and re-instating the personalisation budget for supervised consumption at home (£18,720) as it is deemed that these are essential and priority services to protect the Public Health of vulnerable patients within the drug and alcohol prevention, treatment and recovery service. All costs associated with this decision will be subject to review on an annual basis as part of the Council wide review of expenditure and drive to identify efficiency savings.
- 4.4.2 All costs associated with this decision will be subject to robust monitoring and annual review as part of the Council wide review of expenditure and drive to identify efficiency savings.

4.5 Legal Implications, access to information and call In

- 4.5.1 As the overall value of this decisions exceeds £250,000 this is a Key Decision and is subject to call in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules. A notice was published on the List of Forthcoming Key Decisions on the 11th September 2018 and the report will be subject to call in.
- 4.5.2 The modification of contracts is governed under the Public Contracts Regulations 2015 at regulation 72. This considers the extent to which a contract may be modified before it should be considered so substantially changed as to necessitate a new contract. It also requires the consideration of the effect of cumulative variations. Therefore, this needs to be considered in taking this decision.
- 4.5.3 The figures set out at paragraph 3.18 of this report show the current value of this contract, which has been increased by the various additional funding provided by the CCGs and has also been decreased by previous variations to the Council funded element. Taking these figures into account, the modification of the contract including the proposed contract variation equates to 3.98% (£1,664,006) of the contract value. This is above the EU threshold for Health and related Social Care contracts. As such, the cumulative variations to this contract place it above the EU threshold and mean that there is a risk of challenge in making this further variation. The potential variations were not explicitly drafted into the specification at the outset of the contract. However, the following regulations appear to apply to this request.
- 4.5.4 Regulation 72 (1) (b) (i) and Regulation 72 (1) (b) (ii) provide exceptions “for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor:-

(i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, services or installations procured under the initial procurement, or

(ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority, provided that any increase in price does not exceed 50% of the value of the original contract;”

4.5.5 It is considered that these regulations apply in these circumstances as follows:

(i) The effectiveness of drug and alcohol services across Leeds would be adversely impacted without these aspects of service provision, especially in relation to broadening access to care through GP practices and providing effective treatment and preventative measures across the service.

(ii) The cost of medications (e.g. Naloxone and Pabrinex), vaccinations, diagnostics (including alcohol testing), Primary Care Extended Services (ie shared care) and Needle Exchange have been incurred by the Forward Leeds service from its inception as part of the integrated service that was procured. Although not part of the original contract price, they are direct costs associated with the delivery of drug and alcohol treatment provision as set out in the specification when the service was tendered. The tender documentation made it clear that such costs would be met separately. This variation to the contract represents a change in the way that the Forward Leeds service is remunerated for these costs and does not change the scope of the service being delivered or the amount payable for these activities.

(iii) Running a separate procurement exercise to procure a separate provider of these services would not be feasible operationally, is likely to increase costs, would provide a less integrated service, and would lose the essential interface between providers of these related services where a seamless service is essential to the treatment of complex clients and to prevent drug related deaths.

(iv) Forward Leeds has a detailed understanding of residential options and is able to match the client to the most appropriate establishment to suit their treatment needs and has developed strong relationships with residential treatment providers, ensuring smooth transitions from community to residential services and back again. They are also well placed to negotiate best prices and ensure value is added to service delivery wherever possible.

(v) The amount of drug related litter being found across the city became a significant concern in early 2017 and in 2017/18 there was an increase in presentations to Forward Leeds for support with injecting drug use. There has been an increase in needle exchange provision to provide an enhanced service to address the issue of the amount of drug related litter being reported across the city in order to support harm reduction.

(vi) The additional investment equates to 1.18% (3.98% with the inclusion of the original variation) of the contract value.

In relying on these regulations, the Council will be required to send a notice to that effect for publication at EU level, in accordance with regulation 51.

- 4.5.6 The contract was entered into prior to the commencement of the 2015 regulations, but the provisions of regulation 72 were the result of preceding case law that was applied by the courts prior to 2015, so it would be the case that these would apply to this contract. The Director of Public Health needs to be aware of this risk and any potential mitigation of the risk in taking this decision.
- 4.5.7 Given that the exceptions set out above apply, the Council can lawfully vary the contract in line with this report. However, there is always the risk that a party will seek to challenge the contents of this report.

4.6 Risk management

- 4.6.1 Officers in the Integrated Commissioning Team will continue to work closely with Humankind through the established contract monitoring processes to review expenditure levels and forecasts on a regular basis, and will work together to identify and realise annual service efficiencies in future years.
- 4.6.2 Clinical advice will be sought on prescribing, testing and vaccination formularies for the service which besides demonstrating good practice and compliance with NICE guidance and the British National Formulary will help ensure Leeds City Council is only incurring legitimate costs relating to the treatment of addiction.
- 4.6.3 Payment will be based on actual activity data received from Humankind or a nominated partner and only on receipt of relevant activity data and/or supporting evidence of expenditure as appropriate which will be either monthly or quarterly. Once evidence has been received the Public Health Support Team will raise an order number for the provider to include on invoices in order to ensure prompt payment.
- 4.6.4 There is a potential risk of increased budget requirement if demand for services increases. All elements of funding detailed in this report will be monitored by the Public Health Support Team in conjunction with the Integrated Commissioning Team and any risks identified will be highlighted and discussed with the provider.

5 Conclusions

- 5.1 Primary Care Extended Services, needle exchange bin collection, vaccinations/immunisation, naloxone, onsite and alcohol testing, diagnostics, pabrinex vitamin injections, increased needle exchange provision, supervised consumption at home and residential detox are considered essential components of a safe and effective, quality service in Leeds. The effectiveness of drug and alcohol provision in Leeds would be adversely impacted without these aspects of service provision especially in relation to broadening access to care through GP practices and providing effective treatment and preventative measures across the city.

6 Recommendations

- 6.1 The Director of Public Health is recommended to approve in accordance with Contract Procedure Rule 21.7 a variation to the existing contract held with Humankind for the Community Drug and Alcohol Prevention, Treatment and Recovery Service (YORE-9F7N76), to include existing services for drug and

alcohol service and medical costs to support ongoing delivery; enhanced needle exchange provision to support harm reduction; existing residential detox programme and the re-instatement of the personalisation budget in order to tailor treatment to vulnerable patients including supervised consumption at home, at a cost of £483,720 per annum with effect from November 2018.

7 Background documents¹

7.1 None

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.