

To seek approval from the Director of Public Health to provide a grant to Humankind for additional inpatient detoxification places via a sub-regional consortium using Public Health grant funding.

Date: 26 May 2021

Report of: Head of Commissioning

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

What is this report about?

Including how it contributes to the city's and council's ambitions

- In February 2021, Public Health England announced additional grant funding for local authorities for additional medically managed inpatient detoxification. To access the additional funding bids were required from regional or sub-regional consortia of local authorities. Each consortium needed to be have one lead local authority. Leeds City Council has worked with Barnsley Metropolitan Borough Council, Calderdale Metropolitan Borough Council and North Yorkshire County Council to form a sub-regional consortium with Leeds City Council being the lead authority.
- Public Health England have awarded a grant of £354,805 to Leeds City Council as the lead authority of the consortium to provide additional inpatient detoxification provision. Leeds City Council will enter into a grant agreement with Humankind, who are commissioned by each of the authorities in the consortium to delivery drug and alcohol services, to manage the inpatient detoxification scheme.
- The proposal in this report directly contributes to the Best Council Plan's overarching vision of tackling poverty and reducing inequalities. It addresses the Best Council Plan's priorities of reducing health inequalities and improving the health of the poorest the fastest; minimising homelessness through a greater focus on prevention; keeping people safe from harm, protecting the most vulnerable. 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.

Recommendations

- a) The Director of Public Health is recommended to approve the allocation of £354,805 as a grant (payable in instalments) to Humankind to manage the allocation and provision of additional inpatient detoxification across the sub-regional consortium from 1 June 2021 to 30 June 2022. Responsibility for implementation of this decision is the Integrated Commissioning Team, Adults and Health.

Why is the proposal being put forward?

1. Public Health England announced a range of funding opportunities as part of the Government's additional investment in drug and alcohol treatment for 2021/22. This funding is in addition to the money local authorities already spend on substance misuse from the public health grant and must be spent on additional services.
2. Public Health England have stipulated that one element of this additional funding is to provide additional medically managed inpatient detoxification. A nominal allocation was made available to each local authority area. To access this allocation a successful bid was required that met the aims of the funding, with applications having to come from a regional or sub regional consortium with a lead authority identified within the application.
3. A range of meetings and discussions were held with local authorities and treatment providers across the region, in the short period between the funding being announced in February 2021 and the deadline for submission on the 9 April 2021.
4. It was agreed that a sub-regional bid would be submitted, led by Leeds City Council and including Barnsley Metropolitan Borough Council, Calderdale Metropolitan Borough Council and North Yorkshire County Council. Humankind are the commissioned drug and alcohol treatment provider in each of the local authority areas. By working with Humankind to deliver the additional inpatient detoxification places across the consortium it ensures that economies of scale can be applied to the purchase of additional places thereby delivering better value for money. In addition as Humankind provides the treatment across the consortium they can manage the purchase and referral process through existing arrangements with detoxification providers.
5. The commissioning team submitted the completed application to Public Health England on 7 April 2021 and Public Health England have subsequently approved the application to award Leeds City Council on behalf of the consortium £354,805. This amount will be divided across the consortium as stipulated by Public Health England as follows:

Barnsley	£54,490
Calderdale	£42,767
Leeds	£195,061
North Yorkshire	£62,487

6. The funding will enable 1,100 additional bed nights to be purchased across the consortium. These will be allocated to people from each local authority area in proportion to the funding allocation for that authority area as outlined in the table above. This process will be managed by Humankind and the consortium arrangements as a whole will be managed by Leeds City Council.

What impact will this proposal have?

Wards Affected: All

Have ward members been consulted? Yes No

7. This funding will significantly increase the capacity of medically managed inpatient detoxification for residents of Leeds (and the other local authority areas that are part of the

consortium) who may require this support. Currently access is generally restricted to those with the more complex needs and/or clinical vulnerabilities. However, this funding will enable increased access for a broader range of people for whom admission into a detoxification unit has been identified as being appropriate via clinical and non-clinical care planning.

8. The additional capacity will also enable innovative referral routes to be piloted, for example supporting street homeless service users into provision for stabilisation and assisted withdrawal interventions. Crucially, it will also allow the treatment services to offer detoxification much earlier in individuals' treatment journeys and not when 'all other routes have been exhausted', but as a preferred treatment option based on an assessment of a service user's individual needs.
9. Length of stays can also be more flexible based on individual need, rather than being restricted to standard 7-14 day stays, which will in turn lead to better outcomes for individuals and the ability to address more complex clinical need and vulnerability.
10. Under current arrangements 50 people from Leeds completed a medically managed detoxification in 2020/21. The new funding will at least double this capacity. The funding allocation across the partnership equates to 110 ten night stays. For Leeds this will mean 605 bed nights or 60 ten night stays (length of stay required is decided on a case by case basis).
11. An Equality, Diversity, Cohesion and Integration Screening has been completed in relation to this decision and there are no issues to be addressed

What consultation and engagement has taken place?

12. Public Health England stipulated that this grant funding opportunity could only be used to provide additional capacity for medically managed detoxification and it would only be available to regional or sub-regional consortia with an identified lead authority.
13. As a result of the funding parameters, consultation centred on what arrangements might be needed to develop and agree a consortium within the timescales and what was the best method to deliver the additional capacity required. It was agreed that the best way to deliver the required increase in capacity and to meet the stipulations of the grant was to agree a sub-regional consortium working with Humankind.
14. Consultation around the development of the proposal took place with officers from Adults and Health, Procurement and Commercial Services, current commissioned drug and alcohol treatment providers, local authorities across the Yorkshire and Humber region and Public Health England.
15. The Executive Member for Public Health will be briefed with a date to be confirmed following the AGM on 17 May 2021.

What are the resource implications?

16. The cost of the project will be met by a Section 31 grant from Public Health England and will be paid to the recipient as a grant in quarterly instalments.
17. Acting as a consortium for this project enables economies of scale to be applied to the purchase of inpatient detoxification places which provides increased value for money.
18. The project will be managed on behalf of the consortium by officers within Adults and Health Commissioning Team

What are the legal implications?

19. This is a Significant Operational Decision as the overall value of this decision is less than £500,000 and as such it is not subject to call in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
20. As the Council would be entering into grant arrangements with the recipient listed in this report, the Council will have no contractual control over enforcement of the terms. The only sanction available with grant payments is for the Council to claw-back grant monies unspent.
21. There is a risk of challenge that a grant payment is not a grant. Legally there is some confusion about when a grant can and cannot be used as there is a fine line between a grant (which is not caught by the procurement rules) and a contract for services (which is caught by the procurement rules). Although no longer directly applicable to the UK's departure from the European Union the preamble to EU Procurement Directive 2014/24/EU (from which the Public Contracts Regulations 2015 were transposed into English law) is still persuasive and the directive makes it clear at paragraph (4) that "the mere financing, in particular through grants, of an activity, which is frequently linked to the obligation to reimburse the amounts received where they are not used for the purposes intended, does not usually fall within the scope of the public procurement rules".
22. As such, unconditional grants are unlikely to meet the definition of a contract set out in the Public Contracts Regulations 2015 (PCR 2015). However, where grants are used with strict qualification criteria and an obligation to pay back money if certain targets are not reached, the position is less straightforward and it is possible that an arrangement referred to as a grant could actually meet the definition of a contract set out in the PCR 2015 and, if it does, the PCR 2015 may apply. It is therefore extremely important to ensure that, if providing grants, the process followed does not fall within the definition of a "public contract" as set out in PCR 2015 which states –"contracts for pecuniary interest concluded in writing between one or more economic operators and one or more contracting authorities and having as their object the execution of works, the supply of products or the provision of services"
23. Grants may be in breach of subsidy control but it is unlikely that the grant payments proposed will fall foul of the subsidy control rules.
24. Funding from which any grant payment is made must be designated as "grant" money. If the Council wish to make a grant, the money must be in the Public Health "grant" block. If it is not, it can normally be moved from other blocks in the Council budget into the grant block.
25. Awarding the grants to the named organisation in this way could leave the Council open to a potential claim from other providers, to whom this grant could be of interest, that it has not been wholly transparent. However the risk of this would appear to be low.
26. As this is a grant it is not subject to the council's Contracts Procedure Rules or within the Public Contracts Regulations 2015 but good practice and transparency will be observed throughout.
27. There is no overriding legal obstacle preventing the award of the grants and the contents of this report should be noted. In making their final decision, the Director of Public Health should be satisfied that the course of action chosen represents best value for the Council

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

28. The grant will be allocated to the recipient listed in this report to deliver the project. As a result should the recipient fail to deliver the project then there is a risk that Leeds City Council could have to repay the grant to Public Health England. 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 Public Health England.

29. The risk is low as risk management is built into the work of the recipient who has the necessary experience and skills to manage risks required to manage and deliver this project. The latest Care Quality Commission audit of the organisation provided a rating of good overall and outstanding for well led.
30. Should the decision be taken not to proceed with the proposed option, the impact will be a loss of funding to Leeds and the other authorities in the consortium and the loss of opportunity for more people to be able to enter detoxification.

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

31. The proposal directly contributes to the Best Council Plan's overarching vision of tackling poverty and reducing inequalities. It addresses the Best Council Plan's priorities of reducing health inequalities and improving the health of the poorest the fastest; minimising homelessness through a greater focus on prevention; keeping people safe from harm, protecting the most vulnerable.
32. 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.

Options, timescales and measuring success

a) What other options were considered?

33. The parameters of the funding meant that a regional or sub-regional consortium was required. Discussions took place with partner authorities and providers across the region to consider what were the best options. A full regional bid was ruled out due to the timescales involved, the complexity of the range of partners, agreeing who would lead it and which detoxification providers could be used and whether they would have the infrastructure to deliver the increased capacity required.
34. As a result it was agreed that for Leeds a sub-regional arrangement would be the best option. By working with the authorities where Humankind was also the treatment provider it ensured the project could be seamlessly managed on a sub-regional basis. It also meant that as Humankind have existing arrangements with detoxification providers the increased capacity could be secured for all the partners in the consortium thereby delivering better value for money.
35. The partners in the consortium discussed who would lead the project. It was agreed that as Leeds has the largest existing contract with Humankind, a strong existing contract management relationship and is the authority receiving the largest share of the grant that Leeds would be the lead authority.

b) How will success be measured?

36. Performance monitoring processes will be put in place by the Adults and Health commissioning team through a grant agreement to ensure value for money and quality of delivery for the duration of the project. In addition, the Council will provide Public Health England with performance information.

c) What is the timetable for implementation?

37. The project will be implemented from 1 June 2021 and will run to 30 June 2022

38. All the preparatory work required to implement this proposal has been carried out.

Appendices

39. None.

Background papers

40. None.