

To seek approval from the Director of Public Health to allocate additional funding for structured drug and alcohol treatment support using Public Health England Rough Sleeping Drug and Alcohol Treatment grant funding.

Date: 23 June 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 December 2020, Leeds City Council were awarded a grant from Public Health England after a successful bid to the Rough Sleeping Drug and Alcohol Treatment Grant Programme. This funding was to establish a drug and alcohol street based lifestyle team to provide specialist support to people rough sleeping and recovering from rough sleeping.
- Leeds City Council was then allocated a further £676,236 from the Public Health England Rough Sleeping Drug and Alcohol Treatment Grant for additional treatment costs, detoxification and rehabilitation costs and additional support costs as a result of people rough sleeping and recovering from rough sleeping entering treatment.
- 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 £349,648 as a grant (payable in instalments) to Humankind for additional structured drug and alcohol treatment support from 1 July 2021 to 31 March 2022. Responsibility for implementation of this decision is the Integrated Commissioning Team, Adults and Health.
- b) The Director of Public Health is recommended to approve spend of up to £326,588 of the additional funding allocated by Public Health England to be used to recoup expenditure allocated for additional treatment, prescription, detoxification and rehabilitation costs.

- c) The Director of Public Health is recommended to note that further approvals will be sought as additional grant payments are made by Public Health England under the Rough Sleeping Drug and Alcohol Treatment Grant Programme.

### **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. The Rough Sleeping Drug and Alcohol Treatment Grant Programme is one element of this additional funding. The programme is to target additional specialist drug and alcohol support to people rough sleeping, or who have experienced rough sleeping, and have accessed emergency accommodation set up during the COVID-19 pandemic.
3. The programme has two elements of funding to it:
  - Wrap around and engagement support
  - Structured drug and alcohol treatment
4. Leeds City Council worked with partners to develop a project to address this need and the application submitted for the wrap around and engagement element to Public Health England was successful. A grant of £560,903 was awarded by Public Health England in December 2020. A key decision was taken in January 2021 to award a grant to Humankind (the lead provider of the Forward Leeds drug and alcohol service DN210921) to establish and deliver the project as detailed in the application to Public Health England. This was to establish a Drug and Alcohol Street Based Lifestyle Team and the details of this decision are attached as a background paper.
5. As well as the establishment of the specialist Drug and Alcohol Street Based Lifestyle Team, Public Health England will be making further grant payments to Leeds City Council under the structured drug and alcohol treatment element in recognition of the additional costs from increased access and engagement from the targeted population.
6. These additional payments from Public Health England for the structured drug and alcohol treatment element can be used to support:
  - Harm reduction advice, information and interventions
  - BBV screening and immunisation
  - Community based pharmacological interventions
  - Community based psychosocial interventions
  - Community based recovery support interventions
  - Inpatient detoxification and residential rehabilitation

These additional costs will be paid for every person in the target population who is engaging in drug and alcohol treatment. The fixed payment amounts will be calculated by Public Health England based on a national unit cost derived from expenditure and National Drug Treatment Monitoring System (NDTMS) data, adjusted depending on the substances used and to reflect the differential cost of delivery services in the local area. In addition, a fixed amount will be provided for every person that will be accessing inpatient detoxification and residential rehabilitation provision with the unit cost derived from a recent survey of providers.

7. In March 2020, as a result of the COVID-19 pandemic, the government launched the 'Everyone In' initiative, with the aim of ensuring no one was rough sleeping and people who may be in shared hostel spaces had individual rooms. In Leeds this resulted in a number of hotel sites being utilised and support being provided from a number of agencies to help address people's health, substance use and housing needs.

8. To date over 900 people have been accommodated through the 'Everyone In' initiative, around 600 of which were supported into drug and alcohol treatment with Forward Leeds. In recognition of this Public Health England have awarded Leeds City Council an additional £676,236 under the structured drug and alcohol treatment element from the Rough Sleeping Drug and Alcohol Treatment Grant Programme.
9. Discussions with Forward Leeds have taken place around where the additional pressure points are within the treatment service as a result of this increase. Due to the complexity of the presenting need of this cohort the key pressure point is around substance use and mental health which is addressed through the co-occurring mental health and drug (COMHAD) team at Forward Leeds and the need for additional prescribing capacity.
10. To address this need it is proposed to award a grant of £349,648 to Humankind (the lead provider of the Forward Leeds drug and alcohol service, DN210921) to increase the capacity of the COMHAD team, providing additional prescribing capacity and administrative support.
11. The remaining £326,588 will be utilised for the interventions outlined in point 6 above. It is anticipated that it will primarily be to:
  - Recoup treatment prescription costs for people who entered treatment from the target cohort across 2020-21. This is done through payment to NHS Business Services Authority who are the body that administers all prescriptions. This is estimated to be around 10% of the existing treatment budget and checks will be made against the data provided by Humankind and the formulary (list of eligible drugs that can be prescribed).
  - Pay costs for eligible clients who enter residential detox and / or rehabilitation. This will be done through payment against invoices submitted by Humankind.
  - Pay the prescription costs for a trial of long release Buprenorphine (an alternative opiate substitution treatment). A small cohort will be identified and the treatment prescription costs will be paid to NHS Business Services Authority.
12. Public Health England have indicated that further funding will continue to be granted to Leeds City Council for the interventions outlined in point 6 above, based on activity levels per quarter. Any spend related to this continued additional funding will be addressed through additional Significant Operation or Administrative decisions linked to this key decision

### What impact will this proposal have?

**Wards Affected:** All

Have ward members been consulted?

Yes

No

13. This funding will ensure that the increase in people entering drug and alcohol treatment through the 'Everyone In' initiative or who have been rough sleeping or are recovering from rough sleeping can be supported.
14. Additional capacity will be created within the COMHAD team with additional staff in each Forward Leeds hub. The target cohort often have a history of substance use and mental health so being in a position to expand the capacity of this team will allow for more people to access specialist treatment. To ensure that there is enough prescribing capacity for the team a locum addition psychiatrist will also be funded along with additional administrative support to help manage the caseload and appointment allocation.

15. The result of around 600 people entering treatment from this cohort across 2020-21 is additional prescribing costs. Being able to recoup funding for this will help to alleviate budget pressure within the treatment budget.
16. Ensuring that there is an option to pay for people to enter residential detoxification or rehabilitation will again alleviate pressure on this budget.
17. Trialling new approaches to prescribing through long release opiate substitution treatment (via Buvidal) has the potential to lead to better outcomes, helping people who struggle to attend regular prescription pick ups to maintain their treatment.
18. The result of additional specialist support together with access to residential detoxification and rehabilitation will enable better outcomes for this vulnerable client group.
19. 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?**

20. Public Health England stipulated that the additional money being provided under the Rough Sleeping Drug and Alcohol Grant Programme is to support additional pressures on structured drug and alcohol treatment.
21. As a result of the funding parameters, consultation centred on what arrangements might be needed to best support the targeted client group within the timescales. The key pressure points are around people with complex presenting and associated prescribing needs. The proposals to enhance the COHMAD team with specialist mental health and substance use nurses and a psychiatrist for prescribing will help to address these pressure points.
22. Consultation around the development of how best to utilise the additional funding took place with officers from Adults and Health, the current commissioned drug and alcohol treatment provider and Public Health England.
23. The original proposal to establish the Drug and Alcohol Lifestyle Team through the Wrap around and Engagement support funding taken in January 2021 (see background papers) was agreed and signed by the Chief Executive of Leeds City Council, Director of Communities and Environment, Director of Resources and Housing, Director of Public Health, Director of Adults and Health, Head of Mental Health Commissioning Leeds CCG.
24. The Executive Member for Public Health and Active Lifestyles was briefed on 7 June 2021.

### **What are the resource implications?**

25. The cost of the project will be fully met by a Section 31 grant from Public Health England and will help to alleviate Leeds City Council budget pressure.
26. Staffing costs identified will be paid to the recipient as a grant in quarterly instalments.
27. Prescribing costs will be recouped through existing arrangements between Leeds City Council and NHS Business Services Authority.
28. Additional detoxification and rehabilitation costs will be paid on invoice.
29. The project will be managed by officers within Adults and Health Commissioning Team

### **What are the legal implications?**

30. This is a Key Decision as the overall value of this decision is more than £500,000 and as such it is subject to call in. There are no grounds for keeping the contents of this report confidential under the Access to Information Rules.
31. 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.
32. 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".
33. 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"
34. 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.
35. 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.
36. 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.
37. 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.
38. There is no overriding legal obstacle preventing the award of the grant 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?**

39. 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.

40. 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.
41. Should the decision be taken not to proceed with the proposed option, the impact will be a loss of funding to Leeds, additional pressure within the drug and alcohol service and a worse outcome for clients, particularly those with multiple and complex needs.

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

- Inclusive Growth       Health and Wellbeing       Climate Emergency

42. 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.
43. 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?**

44. The parameter of the funding is to meet additional costs within structured drug and alcohol treatment. Public Health England have outlined the types of costs that can be included in this and the proposals in this report directly meet these. They are the key areas of pressure, either in terms of support or budget. The alternative was to not accept the allocated funding from Public Health which was not considered an appropriate option.

#### **b) How will success be measured?**

45. 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?**

46. The project will be implemented from 1 July 2021 and will run to 31 March 2022
47. All the preparatory work required to implement this proposal has been carried out.

### **Appendices**

48. None.

### **Background papers**

49. D52662 DDP Report