



REPORT TITLE: The Supplemental Substance Misuse Treatment and Recovery Grant 2022 - 2025

Cabinet Date	29 th March 2023
Cabinet Member	Councillor Mark Hawthorne, Leader of the Council
Key Decision	Yes
Purpose of Report	<p>The purpose of this report is to seek ratification by Cabinet for decisions made by the Director of Public Health in consultation with the Cabinet Lead for Public Health and Communities in relation to the Office for Health Improvement and Disparities (OHID) Supplemental Substance Misuse Treatment and Recovery Grant (“SSMTRG”) described in the ‘Extra-funding-for drug and alcohol treatment 2022 to 2023’ guidance contained in the Background Documents below during financial year 2022/23; and to approve further recommendations in relation to the distribution of the SSMTRG during financial years 2023/24 and, 2024/25 which will be the first year of the new adult treatment contract described in paragraph 15 below.</p>
Recommendations	<p>That Cabinet:</p> <ol style="list-style-type: none">1. Ratifies a decision taken by the Director of Public Health, in consultation with the Cabinet Member for Public Health and Communities, to:<ol style="list-style-type: none">a. vary the council’s contract with Change, Grow, Live (CGL) relating to the provision of adult community drug and alcohol treatment and recovery services on the following basis:<ol style="list-style-type: none">i) by adding additional posts to those currently provided by CGL across a range of evidence-based interventions during financial year 2022/23;ii) by requiring CGL to provide a Buvidal Pilot for 30 service users during financial year 2022/23; andiii) by adding a requirement for CGL to carry out staff training in relation to service users’ co-existing mental health and substance misuse conditions during the financial year 2022/23b. allocate £2,064 in funding from the SSMTRG funding made available by OHID for use in financial year 2022/23 (the 2022/23 SSMTRG) to the part payment of GCC staff costs arising from a qualitative research exercise to be carried out by the council in relation to engagement with Black and Minority

	<p>Ethnic (BAME) stakeholders (including service users and carers) during the period December 2022 – June 2023.</p> <ul style="list-style-type: none"> c. vary the council's contract with Prospects for the supply of Youth Support Services by increasing the charges payable thereunder during the financial year 2022/23 for the purposes of funding the cost of Prospects employing additional staff during such period in order to expand access to young people's substance misuse services. d. allocate £30,000 by means of a one-off grant from the 2022/23 SSMTRG to a charity offering specialist therapeutic services for families in crisis, namely 'InfoBuzz', for the purposes of funding the cost of them employing additional staff during financial year 2022/23 in order to expand access to their services to meet demand. e. allocate £12,000 by means of a one-off grant from the 2022/23 SSMTRG to a Stroud based charity offering services to young people and their families, namely The Door, in order to expand access to their services. <ol style="list-style-type: none"> 2. Approves a further variation of the council's contract with CGL described in Recommendation 1(a) above by increasing the charges payable thereunder in order to continue to fund the initiatives described in Recommendation 1(a) during financial year 2023/24. 3. Approves a further variation of the council's contract with Prospects described in Recommendation 1(c) above by increasing the charges payable thereunder in order to continue to fund the additional staff described in Recommendation 1(c) during financial year 2023/24. 4. Delegates authority to the Director of Public Health, in consultation with the Cabinet portfolio holder for Public Health and Communities, to allocate, at their discretion SSMTRG funding made available by OHID for use in financial year 2024/25 (the 2024/25 SSMTRG) (amounting to £1,130,000) to the council's contracted providers of the adult community drug and alcohol services and other organisations supporting either adults or young people in relation to substance misuse in financial year 2024/25 for the purpose of meeting the objectives of the National Drugs Strategy 2021, in accordance with Government SSMTRG guidance, UK subsidy control regime requirements and public procurement law requirements.
<p>Reasons for Recommendations</p>	<p>If approved, the recommendations will allow the Council to fulfil its obligations with regard to the SSMTRG for the purposes of improving the quality and capacity of drug and alcohol treatment in the county, in line with the government's policy objectives in the National Drugs Strategy 2021.</p>

Resource Implications	<p>The SSMTRG is a three-year supplemental grant (confirmed annually by OHID) to enable local areas to meet the objectives of the new National Drugs Strategy (2021). This funding is in addition to the money local authorities (LAs) already spend on substance misuse from the public health grant. The expectation is that there will be no reduction in current spend on substance misuse during the period of the grant. Any in-year underspend may reduce the following year's grant by the amount of the underspend. Funding over the three years is as follows:</p> <ul style="list-style-type: none"> • Financial year 2022 – 2023 £619,405 • Financial year 2023 – 2024 £631,573 • Financial year 2024 – 2025 £1,130,000 <p>Such funding shall be apportioned between the above Recommendations on the following basis:</p> <p><u>Recommendation 1(a) above:</u></p> <p>The total maximum value of the proposed variations under the council's contract with CGL described in Recommendation 1(a) above is £535,341. Such variations shall be funded from 2022/23 SSMTRG.</p> <p><u>Recommendation 1(b) above:</u></p> <p>The total value of the proposed activity in Recommendation 1(b) is £2,064, Such activity shall be funded from the 2022/23 SSMTRG.</p> <p><u>Recommendation 1(c) above:</u></p> <p>The total value of the proposed variation under the council's contract with Prospects described in Recommendation 1(c) above is £40,000. Such variation shall be funded from 2022/23 SSMTRG.</p> <p><u>Recommendation 1(d) above:</u></p> <p>The total value of the proposed grant described in Recommendation 1(d) is £30,000. Such variation shall be funded from the 2022/23 SSMTRG in order to expand access to their services to meet demand.</p> <p><u>Recommendation 1(e) above:</u></p> <p>The total value of the proposed grant described in Recommendation 1 (e) is £12,000. Such variation shall be funded from the 2022/23 SSMTRG.</p> <p><u>Recommendation 2 above:</u></p> <p>The total maximum value of the proposed variations under the council's contract with CGL described in Recommendation 2 above is £590,000. Such variations shall be funded from SSMTRG funding made available by OHID for use in financial year 2023/24 (the 2023/24 SSMTRG).</p> <p><u>Recommendation 3 above:</u></p> <p>The total value of the proposed variation under the council's contract with Prospects described in Recommendation 3 above is £40,000. Such variation shall be funded from 2023/24 SSMTRG.</p> <p><u>Recommendation 4 above:</u></p>
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	The total value of 2024/25 SSMTRG is £1,130,000, which will be allocated as described above in Recommendation 4.
Background Documents	<ol style="list-style-type: none"> 1. Officer Decision (23/04/2021): Section 31 local authority grant for additional drug treatment, crime and harm reduction activity in 2021/22 – Permission to vary current provider’s contract 2. From harm to hope: A 10-year drugs plan to cut crime and save lives 3. Additional Drug and Alcohol Treatment Funding Allocations: 2022 - 2023 4. Decision to Procure and Award a Contract to Deliver Community Drug and Alcohol Services for Adults from 1st April 2024
Statutory Authority	N/A
Divisional Councillor(s)	All
Officer	<p>Name: Helen Flitton, Head of Commissioning, Complex Needs Tel. no: 01452 328602 Email: Helen.Flitton@gloucestershire.gov.uk</p>
Timeline	<p>SSMTRG allocations to local authorities were confirmed on the 13th of April 2022. Local authorities completed a brief outline 3-year plan and a detailed plan for 2022/23, choosing from a menu of interventions, and submitted these plans in May 2022. A Memorandum of Understanding (MOU) with the Office for Health Improvement and Disparities (OHID) was signed on 22nd June 2022 by the council’s Executive Director of Adult Social Care and Director of Public Health, Sarah Scott.</p> <p>Detailed plans for 2023/24 and 2024/25 will be required to be submitted to OHID before the start of each of those years and the 2023/24 plan is currently being finalised.</p>

Background and Context

National Policy

1. In February 2019, in response to rising drug misuse and drug related deaths, the Government commissioned Professor Dame Carol Black to undertake an independent review of drugs in two phases, an up-to-date analysis of the problems and then, recommended policy solutions. Part 1¹, published in February 2020, outlined the extent of the illicit drugs market in the UK, worth almost £10 billion a year, with 3 million users and a supply chain that has become increasingly violent and exploitative.
2. As part of the initial response to this first report, in January 2021 the Government announced an additional £80 million to fund drug treatment in 2021/22, as part of a £148 million funding package to reduce crime. Gloucestershire received £415,000 which was awarded as a grant to the current adult treatment provider (see background documents).
3. The second part of the Black Review² was published in July 2021 and highlighted how the pandemic is highly likely to have widened inequalities and that any economic recession would further drive trends in drug use and deaths in the wrong direction.
4. In December 2021, in response to the Black Review, the Government published a new ten-year drugs plan, From Harm to Hope³ and committed to additional investment through Section 31 grants to local authorities, to ensure that the ambitions of the plan can be achieved. The Strategy focuses on delivering three strategic priorities: breaking drug supply chains; delivering a world class treatment and recovery system and achieving a generational shift in demand for drugs.
5. The Supplemental Substance Misuse Treatment and Recovery Grant (SSMTRG) was launched in April 2022 to give additional funding to local authorities to support improvements in the quality and capacity of drug and alcohol treatment over a three-year period between 2022 and 2025. It is a condition of this new funding that local areas maintain their current level of spend on drug and alcohol services. Gloucestershire will receive approximately £2.3 million spread over the next three years, agreed on an annual basis and in addition to the current level of spend from the public health grant.

Local Services

6. Gloucestershire County Council (GCC) is responsible for commissioning drug and alcohol treatment and recovery services and is required, as a condition of the Public Health Grant, to take steps to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services.

¹ <https://www.gov.uk/government/publications/review-of-drugs-phase-one-report/review-of-drugs-summary>

² <https://www.gov.uk/government/publications/review-of-drugs-phase-two-report/review-of-drugs-part-two-prevention-treatment-and-recovery>

³ [From Harm to Hope – A Ten Year Drugs Plan to Cut Crime and Save Lives.](#)

7. The council's current contract for the provision of adult community drug and alcohol treatment services was awarded to Change, Grow, Live (CGL) on 1 January 2017 for a period of 7 years and three months (5 years and 3 months +2 years). This followed a Cabinet decision in April 2016 to carry out a comprehensive OJEU compliant open competitive tender.
8. The contract provides a comprehensive service, encompassing group and 1:1 work, psychosocial interventions, medical treatment/prescribing, harm reduction (e.g., needle exchange), drug and alcohol arrest referrals, hospital in-reach, residential rehabilitation and in-patient detox and broader recovery support (e.g., housing, training, and employment).
9. In Gloucestershire, young people's drug and alcohol treatment services are commissioned through the children and families commissioning team via the Youth Support contract and support is also available through charities such as InfoBuzz, who offer specialist therapeutic services for families in crisis and The Door, who offer support and mentoring to young people and their families.

Allocation of the SSMTRG

10. Local areas have received guidance on where to invest their grant funding in the form of a menu of evidence-based interventions which cover the following priority areas:
 - System coordination and commissioning
 - Enhanced harm reduction provision
 - Increased treatment capacity
 - Increased integration and improved care pathways between criminal justice settings and drug treatment
 - Enhancing treatment quality
 - Residential rehabilitation and inpatient detoxification
 - Better and more integrated responses to physical and mental health issues
 - Enhanced recovery support
 - Expanding the competency and size of the workforce
11. For the first year of the grant, April 2022 – March 2023, worked up plans had to be submitted by 11th May 2022 with the expectation that to ensure effective delivery, we would consult with and work cooperatively with partners including criminal justice, housing, and employment.
12. Commissioners engaged with individual partners across the system and through the Gloucestershire Drug and Alcohol Working Group (GDAWG) to agree the focus of our investment. The findings from our recent Strategic Review of Drugs and Alcohol in the County informed the decision-making process. Based on this intelligence, the options which we selected from the Menu of Interventions to focus on include:
 - a. Increasing treatment capacity and quality through recruitment to additional posts within treatment services which helps reduce caseloads and increase the quality/intensity of engagement for service users.

- b. Buprenorphine Pilot: Buprenorphine is a relatively new but important harm reduction initiative. It is a form of opioid substitution therapy (OST) that offers people who are dependent on opioids (such as heroin) an alternative, prescribed medicine. Buprenorphine's long-acting, injectable formulation means that it can be administered to patients monthly rather than daily, which other forms of OST (such as methadone) require.
 - c. Harm reduction initiatives including purchase and distribution of additional naloxone which is a medication used to reverse or reduce the effects of opioids.
 - d. Workforce Development Initiative to help increase the available local workforce for drug and alcohol treatment.
 - e. Improving continuity of care for prison leavers – a continuation of a project started under the 2020-2021 Universal Drug Grant.
 - f. Increasing capacity on mental health and assertive outreach services. This includes embedding a mental health nurse into our provider's service and running co-existing conditions training (mental health and substance misuse) for staff as well as employing additional outreach workers.
 - g. Part payment of staff costs in relation to engagement with Black and Minority Ethnic (BAME) stakeholders (including service users and carers) during the period December 2022 – June 2023.
 - h. Additional recruitment into the Youth Support Team and to 'InfoBuzz' and 'The Door' to enable an increase in young people's treatment places, mentoring and support.
13. The majority of these initiatives fall within the remit of the council's current adult treatment provider who work closely with partners across health, criminal justice and housing to enable delivery of a comprehensive service.
14. Detailed plans have to be submitted to OHID by the council's drug and alcohol service commissioners for each of the following years of the grant (2023 – 2024 and 2024 – 2025). Moreover, the council is required to submit data returns for spend and outcomes to OHID. The newly formed Gloucestershire Combating Drugs Partnership, a multi-agency partnership consisting of representatives from criminal justice, health, local authorities and the voluntary sector, will review such plans prior to submission and have an overview of performance.
15. It should be noted that the current adult community drug and alcohol support contract is in its final year and the council will be going out to tender for a new contract in June 2023. The first year of the new contract, 2024/25 will coincide with the third year of the SSMTRG and there is the possibility of a provider other than CGL holding the contract.

Options

16. The following options were considered:

- a. *Allocate all SSMTRG funding during financial years 2022/23 – 2024/25 to the current provider of adult community drug and alcohol services, namely CGL, for the purpose of enhancing community drug and alcohol treatment and recovery services in accordance with the SSMTRG guidance.*

This option would still have allowed the council to fulfil the conditions of the SSMTRG grant but would have meant that the council would not be able to increase capacity within young people’s drug and alcohol treatment and support services and therefore this option is not the preferred option.

- b. *Divide the SSMTRG funding during 2022 – 2025, between i) our current adult treatment provider, CGL (via a contract variation) and ii) young people’s providers and charities, Prospects, InfoBuzz and The Door, in accordance with identified need and iii) part payment of staff costs in relation to qualitative engagement with Black and Minority Ethnic (BAME) stakeholders (including service users and carers) on the basis described in this report’s Recommendations.*

The focus of the SSMTRG grant is to improve treatment quality and outcomes and there are strict guidelines within which the funding can be allocated with the overall purpose of meeting the policy objectives of the National Drugs Strategy 2021. This option allows the council to enhance its current adult treatment service by funding additional staff across various roles (via a contract variation as the financial value sits within the threshold for variations to the existing contract). It also allows the council to fund additional roles within its young people’s services provider, namely Prospects, and within InfoBuzz, a charity offering specialist therapeutic services for families in crisis, including in relation to substance misuse and The Door, a charity offering support and mentoring to young people.

The Equality Impact Assessment carried out in relation to allocation of the SSMTRG identified a need for further engagement with Black and Minority Ethnic stakeholders and in response to this, commissioners have allocated some of the SSMTRG funding in part payment of staff costs in relation to qualitative engagement with Black and Minority Ethnic stakeholders.

17. Option *b* is the preferred option as it still gives the council the ability to positively impact its current adult community drug and alcohol service (and the system partners that it works with) but also allows us to increase capacity within young people’s services and gain greater understanding of the needs of Black and Minority Ethnic stakeholders in relation to substance misuse.

Risks

18. The following risks have been identified:

19. *Risk of challenge by alternative providers in response to the council’s variations of its contract with CGL described in Recommendation 1(a):*

There is a risk in respect of any contract variation, that it may become the subject of legal challenge under the Public Contract Regulations 2015 (“PCRs”).

While it is acknowledged that a contract variation is permissible under the PCRs only on very limited grounds, the said variations were justified on grounds that:

- a) the value of the proposed variations did not exceed 50% of the value of the council's original contract with CGL relating to the provision of Community Drug and Alcohol Recovery Services in Gloucestershire given that the value of the variations (i.e., £535,341) amounted to 1.4% of the value of the original contract (i.e., £37,391,095); and
- b) the need for the contract variation was unforeseeable and also a change of provider could not be made for technical or economic reasons due to the fact that the timeframe between the council receiving confirmation from OHID of indicative funding in respect of the period 2022 - 2023 and then the council being required to submit spending plans and then spend such funding in the year for which OHID made it available was only five weeks, hence there was not sufficient time to carry out a full procurement exercise, and;
- c) a change of provider would have caused significant inconvenience and duplication of costs given that the council already commissions the incumbent provider to provide treatment and recovery services and to provide pathways between the service and criminal justice, health and housing, whereas a change of provider would be difficult to mobilise and gain value from within the timeframe of the funding (i.e. one year).

20. Risk of challenge by alternative providers in response to the council's variation of its contract with Prospects described in Recommendation 1(c):

The variation was justified on grounds that:

- a) the value of the variation did not exceed 50% of the value of the council's original Youth Support Services contract with Prospects given that the value of the variations (i.e., £40,000) amounted to 0.28% of the value of the original contract (ie, £14,148.000); and
- b) the need for a contract variation was unforeseeable and a change of provider could not be made for technical or economic reasons given that the timeframe between the council receiving confirmation from OHID of indicative funding in respect of the period 2022 - 2023 and then the council being required to submit spending plans and then spend such funding in the year for which OHID made it available was only five weeks, hence there was not sufficient time to carry out a full procurement exercise, and;
- c) a change of provider would have caused significant inconvenience or duplication of costs given that the current provider of the youth support contract already provides these services, whereas a change of provider would be difficult to mobilise and gain value from within the timeframe of the funding (i.e. one year).

21. Risk of challenge by alternative providers in response to the council's proposed variations of its contract with CGL described in Recommendation 2:

There is a risk in respect of any contract variation, that it may become the subject of legal challenge under the Public Contract Regulations 2015 ("PCRs").

While it is acknowledged that a contract variation is permissible under the PCRs only on very limited grounds, the said variations are justified on the grounds that:

- a) the value of the proposed variations would not exceed 50% of the value of the council's original contract with CGL relating to the provision of Community Drug and Alcohol Recovery Services in Gloucestershire given that the value of the variations (i.e., £590,000) amounted to 1.5% of the value of the original contract (i.e., £37,391,095); and
- b) a change of provider cannot not be made for technical or economic reasons due to the fact that the requirement to spend the budget in the year of allocation means that there is not sufficient time to carry out a full procurement exercise and to then mobilise new providers in year, and
- c) a change of provider would cause significant inconvenience or duplication of costs given that we already commission a provider to provide treatment and recovery services and to provide pathways between the service and criminal justice, health and housing.

22. Risk of challenge by alternative providers in response to the council's proposed variation of its contract with Prospects described in Recommendation 3:

The proposed variation is justified on grounds that:

- a) the value of the proposed variations will not exceed 50% of the value of the council's original Youth Support Services contract with Prospects given that the value of the proposed variation (i.e., £40,000] will amount to 0.28% of the value of the original contract (i.e., £14,148.000); and
- b) a change of provider cannot be made for technical or economic reasons due to the fact that the requirement to spend the budget in the year of allocation means that there is not sufficient time to carry out a full procurement exercise and to then mobilise new providers in year, and
- c) a change of provider would cause significant inconvenience or duplication of costs given that the current provider of the youth support contract already provides these services, whereas a change of provider would be difficult to mobilise and gain value from within the timeframe of the funding (i.e. one year).

23. Risk that the grant funding to the charities known as Infobuzz and The Door in February 2023 described in Recommendations 1(d) and 1(e) contravened the UK Subsidy Control Regime - LOW risk

There is a risk in respect of any grant award that it may contravene subsidy control regime requirements hence, for the purpose of mitigating such risk, the council satisfied itself that: (a) the market would not provide the activities for which the grants were intended; (b) the proposed grants were payable on a broadly unconditional basis hence would not meet the definition of a contract that would need to be procured in compliance with the Public Contracts Regulations 2015; (c) the proposed grants were for small sums that were given to truly local organisations only, hence they were unlikely to affect international trade and therefore fell outside the scope of the subsidy control regime; and (d) the grants were paid on a one-off basis and did not result in more than £315,000 of grant funding being given to any single beneficiary over a period of three years, hence both grants were outside the scope of the subsidy control regime.

24. Risk that the providers are unable to or do not wish to commit to delivering the proposals within the grant application – LOW risk.

The proposal has been discussed with children's commissioners and providers and the adult drug and alcohol treatment providers during business planning meetings and ongoing email and telephone conversations. They have confirmed their intention to work with partners and sub-contractors to deliver the proposals.

25. Risk that the providers are unable to recruit to the new posts – MEDIUM risk.

Recruitment is a recognised challenge in the current market however the current providers (both for adults and young people's services) are doing everything they can to recruit to the additional roles introduced through the grant.

Financial implications

26. The plans are fully costed within the limits of the confirmed grant funding and the only additional resource burden is the processing of the grant by finance colleagues and performance monitoring by both Public Health and Children and Young Peoples' commissioners.

27. The indicative grant allocations over the three years are as follows: 2022 – 2023 £619,405; 2023 – 2024 £631,573; 2024 – 2025 £1,130,000.

Climate change implications

28. We expect the climate change impact of these service changes to be minimal. However, there are elements that we plan to pursue in line with the council's sustainability goals.

29. Where there is a digital element to provision – we will encourage providers to think about how they can limit impact on the environment by using energy efficient servers and consider how these are cooled.

30. By including a mixed service offer of face to face, text and video conferencing, providers can ensure that they minimise unnecessary travel both for the service and the client.

Equality implications

Has an Equalities Impact Assessment (EIA) been completed? **Yes**

31. The current community drug and alcohol services contract and specification requires that the provider understands, analyses, and makes appropriate adjustments where extra needs arise due to protected characteristics, and this is monitored through regular contract meetings.
32. The EIA found that investment of the grant as specified does not have a disproportionately negative effect upon those with protected characteristics.
33. Cabinet Members should read and consider the Equalities Impact Assessment in order to satisfy themselves as decision makers that due regard has been given.

Data Protection Impact Assessment (DPIA) implications

34. A DPIA is required and in progress for the Provider of adult community drug and alcohol treatment and recovery services in relation to the tender approved by Cabinet in January 2023, as the current contract was awarded prior to the introduction of the current data protection regulations. Any additional issues raised as a result of the drug grant activity will be considered as part of this process.
35. It should be noted that all recipients of the SSMTRG have up to date data-sharing agreements, privacy information and relevant consent forms.

Social value implications

36. Social value tested as part of the adult competitive tender exercise in 2016. In particular, the service includes opportunities for volunteering for those who have completed treatment, providing a foundation for future employment.
37. The final year of the grant will be the first year of the new drug and alcohol treatment and recovery contract. The tender will allocate 15% of the quality weighting to social value and we will look to ensure that we maximise social value through the allocation of the final year of the grant.
38. The proposed grant allocations align with the Council's Levelling Up commitment to reduce the gap in healthy life expectancy within the population.

Consultation feedback

39. Commissioners engaged with individual partners in criminal justice, housing, employment and health and the multi-agency Gloucestershire Drug and Alcohol Working Group (GDAWG) to agree the allocation of the first year of the grant. Partners were supportive of the choices made from the menu of interventions.

40. Future grant plans will also be discussed at the Gloucestershire Combating Drugs Partnership Board.

Officer recommendations

41. To agree the recommendations set out in this report.

Performance management/follow-up

42. The delivery of this additional work will be monitored through the regular contract monitoring meetings with Providers and reported back to OHID. The new multi-agency Combating Drugs Partnership will also act in an advisory role in relation to the plans.