



# **C A B I N E T P R O C U R E M E N T A N D I N S O U R C I N G C O M M I T T E E**

**Monday 3 July 2023**

**at 5.00 pm Committee room 102, Hackney  
Town Hall, Mare Street, London E8 1EA**

## **S U P P L E M E N T A R Y A G E N D A**

### **Members of the Committee:**

Councillor Robert Chapman, Cabinet Member for Finance, Insourcing and Customer Service (Chair)

Councillor Christopher Kennedy, Cabinet Member for Health, Adult Social Care, Voluntary Sector and Culture

Councillor Caroline Woodley, Cabinet Member for Families, Parks and Leisure

Councillor Mete Coban MBE, Cabinet Member for Environment and Transport

**Ian Williams**

**Acting Chief Executive**

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# Cabinet Procurement and Insourcing Committee

**Monday 3 July 2023**

## Order of Business

- 8 AHI S169 Community Drug and Alcohol Treatment Services, Contract Variation, Overview of Grant Funding Streams, and Risk Management**  
(Pages 9 - 32)

### Public Attendance

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The Council will continue to ensure that access to our meetings is in line with any Covid-19 restrictions that may be in force from time to time and also in line with public health advice. The latest general advice can be found here - <https://hackney.gov.uk/coronavirus-support>

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- You should focus any recording equipment on Councillors, officers and the public who are directly involved in the conduct of the meeting. The Chair of the meeting will ask any members of the public present if they have objections to being visually recorded. Those visually recording a meeting are asked to respect the wishes of those who do not wish to be filmed or photographed. Failure to respect the wishes of those who do not want to be filmed and photographed may result in the Chair instructing you to cease reporting or recording and you may potentially be excluded from the meeting if you fail to comply;
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If you require advice on declarations of interests, this can be obtained from:

- The Monitoring Officer;
- The Deputy Monitoring Officer; or
- The legal adviser to the meeting.

It is recommended that any advice be sought in advance of, rather than at, the meeting.

### Disclosable Pecuniary Interests (DPIs)

You will have a Disclosable Pecuniary Interest (\*DPI) if it:

- Relates to your employment, sponsorship, contracts as well as wider financial interests and assets including land, property, licenses and corporate tenancies.
- Relates to an interest which you have registered in that part of the Register of Interests form relating to DPIs as being an interest of you, your spouse or civil partner, or anyone living with you as if they were your spouse or civil partner.
- Relates to an interest which should be registered in that part of the Register of Interests form relating to DPIs, but you have not yet done so.

If you are present at any meeting of the Council and you have a DPI relating to any business that will be considered at the meeting, you **must**:

- Not seek to improperly influence decision-making on that matter;
- Make a verbal declaration of the existence and nature of the DPI at or before the consideration of the item of business or as soon as the interest becomes apparent; and
- Leave the room whilst the matter is under consideration

You **must not**:

- Participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business; or
- Participate in any vote or further vote taken on the matter at the meeting.

If you have obtained a dispensation from the Monitoring Officer or Standards Committee prior to the matter being considered, then you should make a verbal declaration of the existence and nature of the DPI and that you have obtained a dispensation. The dispensation granted will explain the extent to which you are able to participate.

### Other Registrable Interests

You will have an 'Other Registrable Interest' (ORI) in a matter if it

- Relates to appointments made by the authority to any outside bodies, membership of: charities, trade unions,, lobbying or campaign groups, voluntary organisations in the borough or governorships at any educational institution within the borough.
- Relates to an interest which you have registered in that part of the Register of Interests form relating to ORIs as being an interest of you, your spouse or civil partner, or anyone living with you as if they were your spouse or civil partner; or
- Relates to an interest which should be registered in that part of the Register of Interests form relating to ORIs, but you have not yet done so.

Where a matter arises at any meeting of the Council which affects a body or organisation you have named in that part of the Register of Interests Form relating to ORIs, **you must** make a verbal declaration of the existence and nature of the DPI at or before the consideration of the item of business or as soon as the interest becomes apparent. **You may** speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

### Disclosure of Other Interests

Where a matter arises at any meeting of the Council which **directly relates** to your financial interest or well-being or a financial interest or well-being of a relative or close associate, you **must** disclose the interest. **You may** speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

Where a matter arises at any meeting of the Council which **affects** your financial interest or well-being, or a financial interest or well-being of a relative or close associate to a greater extent than it affects the financial interest or wellbeing of the majority of inhabitants of the ward affected by the decision and a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest, you **must** declare the interest. You **may** only speak on the matter if members of the public are able to speak. Otherwise you must not

take part in any discussion or voting on the matter and must not remain in the room unless you have been granted a dispensation.

In all cases, where the Monitoring Officer has agreed that the interest in question is a **sensitive interest**, you do not have to disclose the nature of the interest itself.



## CABINET PROCUREMENT & INSOURCING COMMITTEE

### CONTRACT AWARD REPORT

<b>Title of Report</b>	Community Drug and Alcohol Treatment Services: Contract Variation, Overview of Grant Funding Streams, and Risk Management
<b>Key Decision No.</b>	AHI S169
<b>CPIC Meeting Date</b>	3 July 2023
<b>Classification</b>	Open with exempt appendix (commercial sensitivity)
<b>Ward(s) Affected</b>	All wards
<b>Cabinet Member</b>	Cllr Christopher Kennedy, Cabinet Member for Health, Adult social care, Voluntary sector and Culture
<b>Key Decision</b>	Yes  _____ Significant in terms of its effects on communities living or working in an area comprising two or more wards.
<b>Group Director</b>	Helen Woodland, Group Director for Adults, Health and Integration
<b>Contract value, <u>both</u> Inclusive of VAT and Exclusive of VAT (for the duration of the contract including extensions)</b>	£24,000,000 (without vat) contract value £5,000,000 (without vat) contract variation £29,000,000 (without vat)
<b>Contract duration (including extensions e.g. 2 yrs + 1 yr + 1 yr)</b>	5yrs +1+1+1+1

## **1. Cabinet Member's Introduction**

- 1.1. This paper provides a comprehensive overview of the agility and hard work of the City and Hackney Public Health team in their responsiveness to a change in political will from the Central Government to invest large sums of 1 year grant funding into drug and alcohol community treatment.
- 1.2. The three grant funding streams discussed in this paper each have a slightly different focus, however they coalesce in their aims to reduce drug related deaths, to improve the quality and effectiveness of the pathways into treatment and the quality of treatment itself, and to improve the psychosocial infrastructure which supports sustained drug and alcohol treatment recovery.
- 1.3. The impact sought by Central Government, over an extremely short timeframe of 3 years in total, is ambitious. Each target discussed in the paper requires increasing the capacity of the current commissioned drug and alcohol treatment service in order to progress towards the national targets.
- 1.4. In the last 18 months the number of drug related deaths has notably reduced, 325 individuals experiencing homelessness with a substance use issue have been reached, they have been given harm reduction interventions such as naloxone (an intervention which reverses an overdose), and many have been engaged into treatment. The City and Hackney Recovery Service has given out 1000 naloxone kits, and there has been a 9% increase in numbers in treatment, this is almost half way towards the national target of a 20% increase.
- 1.5. Hence, it is in light of these achievements, in the context of challenging yearly grant funding allocations, that I fully endorse the recommendations in this paper to provide the City and Hackney Recovery Service , with a contract variation of £5,000,000, up until 2025. I also support and appreciate the lengths the City and Hackney Public Health team have gone to engage stakeholders fully, to fund appropriate insourced services, and to identify local organisations to support through grant funding.

## **2. Group Director's Introduction**

- 2.1. Pre-2020, the inevitable consequences of deep financial cuts to public services, and in particular to community substance use treatment services, to welfare, and to supported housing, led to a rise in the number of people sleeping rough, and to a spike in the number of drug related deaths.<sup>1</sup>
- 2.2. The Black reviews<sup>2</sup> successfully argued for the urgent need of increased funding for community treatment systems, recognising that recovery from harmful and dependent substance use (the word 'substance' here is used to

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<sup>1</sup> Black, D. C. (n.d.). *Review of Drugs - evidence relating to drug use, supply and effects, including current trends and future risks*. 2020.  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/882953/Review\\_of\\_Drugs\\_Evidence\\_Pack.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/882953/Review_of_Drugs_Evidence_Pack.pdf)

<sup>2</sup>*Independent review of drugs by Professor Dame Carol Black*. (2020, February 28). GOV.UK.  
<https://www.gov.uk/government/collections/independent-review-of-drugs-by-professor-dame-carol-black>



mean drug and/or alcohol), requires investment in wider psychosocial services and infrastructure.

- 2.3. In response to the Black reviews and the alarming rise in the number of people rough sleeping and in those dying from substance use, the Government published a 10 year, criminal justice focused drug strategy. This was followed by upping the ante on their manifesto commitment to reduce rough sleeping by setting a target year of 2024 by which all rough sleeping is to end.
- 2.4. From November 2020 onwards different Governmental departments from the Office of Health Improvements and Disparities (OHID), to the Department of Levelling Up, Housing and Communities (DLUCH) have requested very quick turnarounds on bids to detail local population need in relation to substance related harms and homelessness in order to be awarded 1 year tranches of grant funding.
- 2.5. Taken individually each grant being awarded is above the percentage increase which would normally be considered permissible by the Public Contracts Regulations 2015 for an existing awarded contract for a commissioned service. Taken together, the combined value of this grant funding and the urgency to mobilise services to achieve impact within short time frames requires greater scrutiny and oversight.
- 2.6. With this in mind, this paper details national targets aligned to the drug strategy which underpin the impact being sought from the grant funding. It will provide an overview of the different grant funding streams, the sums being awarded, and will be inclusive of indicative sums due to the short timescales.
- 2.7. This paper will further outline the rationale for a contract variation to be agreed for the current provider of community drug and alcohol treatment services, Turning Point.
- 2.8. In addition to the above, this paper will also outline the current rapid procurement processes being used to ensure the grant money achieves the impact being sought by Central Government, in order that the Cabinet Procurement and Insourcing Committee are fully sighted on the limited procurement options available.

### 3. **Recommendations**

#### 3.1 **That Cabinet Procurement & Insourcing Committee is recommended to:**

- **Agree a Contract Variation of £5m for the City and Hackney Integrated Drug and Alcohol Service (existing value £24m) commencing in April 2023 with all additional activity to be delivered by the end of March 2025. The revised maximum contract value including variation will be £29m.**

#### 4. **Related Decisions**

- 4.1. The contract award report for the City and Hackney Integrated Substance Misuse Service was approved by Cabinet Procurement Committee (now Cabinet Procurement and Insourcing Committee) on 9th September 2019, decision number CACH P89 [Link](#).

#### 5. **Reason(s) For Decision / Options Appraisal**

- 5.1. Substance Use and its associated harms have become a significant focus for Central Government over the past two years, in part due to the publication of two reviews of substance use across the UK by Dame Carol Black.
- 5.2. This has led to an increased number of national strategic approaches to tackling drug related harms, including publication of an overarching ten year drug strategy and increases in funding, via grants, to help better meet the needs of local residents using drugs.
- 5.3. The London Borough of Hackney (LBH) has been identified as a specific strategic partner for a number of these funding streams by Central Government, with drug harms across the borough having risen over the last ten years alongside an overall reduction in the capacity and funding of our substance use treatment provision.
- 5.4. In order to reduce levels of unmet need across the borough we have accepted invitations to apply for this grant funding, and have utilised this money to increase treatment capacity and diversity of offer from our core substance use service (delivered by Turning Point). We have also worked to develop our approaches through funding of other services with low or no representation in our substance use treatment system.
- 5.5. Single Tender Actions are being used to procure most of these services due to:
  - The novel nature of the organisations
  - Lower levels of funding requirements
  - Guidance from Central Government
  - Lack of an existing contract between the authority and the services regarding this specific delivery
- 5.6. This report is presented to the Cabinet Procurement and Insourcing Committee to approve a contract variation of £5,000,000 for the delivery of community drug and alcohol treatment
- 5.7. This paper details the necessity of our existing substance misuse service receiving this funding, as well as the steps taken to meet the principles of decision making, best value duty and to flag future risks to service delivery.
- 5.8. What follows is a brief overview of the three relevant grant funding streams LBH have/are to receive and how they align to both local and national strategy.
- 5.9. **The Rough Sleepers Drug and Alcohol Treatment Grant:**

- 5.10. This funding aims to improve substance use treatment and health outcomes for people with substance use issues who are experiencing homelessness, aiming to reduce drug related deaths.
- 5.11. The application period and lead time between approval and delivery for the first phase (Q4 2020/21 and all of 2021/22) was limited. Despite this, stakeholder engagement with partners was conducted (Appendix 1), with ongoing engagement throughout the process of preparing and submitting the bid.
- 5.12. Local Authorities were not informed at the start of the programme that there would be further funding and need for RSDATG delivery. Commissioners were informed of the continuation in March 2022, covering FY 22/23 and 23/24.
- 5.13. Application for funding was opened in June 2022, to be submitted by July 2022.
- 5.14. Further Stakeholder engagement was conducted, with consensus arising regarding access to wider ranges of clinical services, further Adult Social Care input and increased peer support.
- 5.15. The successful application for the second phase meets this by:
- Increasing staff and resources for the core substance use service (delivered by Turning Point)
  - Additional funding to develop and increase staff within the LBH Supporting Transition and Empowering People Service (STEPS)
  - A specialist Social Worker within LBH ASC
  - Grant funding to a wider range of existing local services.
- 5.16. Project ADDER:**
- 5.17. This programme was initiated by the Office of Health Improvement and Disparities (OHID, previously Public Health England) in early 2021 aiming at system wide development work to address drug related harms.
- 5.18. Specific outcomes of the programme are to:
- Reduce drug-related death
  - Reduce drug-related offending
  - Reduce the prevalence of drug use
  - Achieve sustained and major disruption of high-harm criminals and networks involved in middle market drug/firearms supply and importation
- 5.19. The high profile programme acts as a ‘trailblazer’ for Central Government’s [10 year drug strategy](#).<sup>3</sup> In line with this the Metropolitan Police team covering Hackney also received significant funding.
- 5.20. Much like RSDATG, funding has also been confirmed and awarded a year at a time, with both short application periods and rapid timescales between approval and delivery.

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<sup>3</sup> From harm to hope: A 10-year drugs plan to cut crime and save lives. 2021.  
<https://www.gov.uk/government/publications/from-harm-to-hope-a-10-year-drugs-plan-to-cut-crime-and-save-lives>

- 5.21. In the first year the City and Hackney Public Health team were awarded £900,000. In the second and final year of the project (2022/23) £1,198,306.00. Due to underspend this funding will also cover an additional quarter of delivery (Q1 23/24).
- 5.22. Stakeholder consultation was undertaken to understand gaps in the treatment system, and to develop solutions to delivering against these gaps.
- 5.23. As part of this a number of smaller, community based, organisations were identified as being good partners in system expansion. Additionally Turning Point were identified as requiring increases in their teams in order to work with a higher number of individuals, better connect to prisons for releases into the community and to undertake increased levels of outreach.
- 5.24. Unlike the RSDATG, only a small amount of grant reprofiling has been necessary in the second year.
- 5.25. **Supplementary Substance Misuse Treatment and Recovery Grant (SSMTR):**
- 5.26. This grant funding is directly aligned to the 10 year drug strategy with the investment seeking to reach ambitious targets by 2025. The funding is significant and is likely to continue for multiple years. Despite this, and again much like RSDATG and ADDER, the turnaround periods from confirmation of funding available through to delivery are short.
- 5.27. 2023/24 funding was confirmed on 16 Feb 2023, and 24/25 funding is currently indicative. We have been awarded £1,490,000 in the first year, with indicative funding at £2,890,000 in the second year.
- 5.28. Application for 23/24 funding started in late Feb, with submissions to be made March 10th. Delivery of some aspects commenced in April 2023. We do not know about the second year's funding, but it is likely that the Central Government delivery mechanism will be similar next year.
- 5.29. As we were asked to prepare for this funding we have re-engaged with partners to understand the current need across the substance use system. Through consultation, including through five themed stakeholder engagement workshops, it has been agreed that in the first year we will continue services started as part of RSDATG and ADDER as well as increase salaries (to aid staff retention) and bring further peer led provision into the borough.
- 5.30. If the Office for Health Improvement and Disparities (OHID) are in agreement with this plan, further funding will be awarded to Turning Point to continue the work they started with earlier grant funded opportunities, as well as to increase salaries.
- 5.31. We have not yet finalised a plan of delivery for the second year, which will be developed jointly through the new multi-agency *Combating Drugs Partnership*, though we believe it is likely we will continue services delivered as part of year one.
- 5.32. The significant increase in the potential figure to be awarded to LBH from 24/25 onwards will be discussed throughout the coming year with partners, as well as

Central Government. It is likely that a significant portion of this funding may need to be awarded to the City and Hackney Recovery Service or distributed through an appropriate procurement process.

5.33. As the SSMTR is part of the vehicle for change aimed at with the ten year drug strategy, we are expecting further funding to continue beyond 23/24 and 24/25, but this is uncertain.

**5.34. City and Hackney Recovery Service and increased funding; reasons and options**

5.35. As detailed above, all decisions regarding system wide need have been made in consultation with partners. In these consultations consensus has driven our funding applications and consequent service delivery.

5.36. The extremely limited time between confirmation of funding and delivery start date for 23/24 has created severely limited options for procuring services in a timely manner. Additionally, without confirmation of 24/25, we are unable to initiate a procurement process for that year.

5.37. Further to this, a procurement process that results in a new and different provider alongside the existing service would create substantial risks for service clients, due to the resources required to overcome technical limitations; it would also create substantial unnecessary duplication of costs. Examples include:

- Supporting wider partners/clinicians to understand the complexity of having multiple providers would be difficult and introduce risks of inappropriate or delayed referrals risking safety and quality of care.
- New, duplicated infrastructure would be needed for a new provider such as managerial and administrative staff, as well as other costs in service delivery (such as premises, equipment, IT, storage and procurement of consumables etc.)
- Mobilisation would need to be done at a speed incompatible with the single year time frames.
- Data management would be difficult. There would be no shared data management resource, data sharing would be challenging to develop and as a current data controller Turning Point would need to operate within organisational and legal information governance frameworks that make sharing confidential data complex.
- Institutional safeguarding concerns due to increased mobilisation times and data challenges. A more disjointed system would increase the challenges of responding effectively to safeguarding concerns.

5.38. These constraints mean that the existing City and Hackney Recovery Service provider is the only viable main provider of substance use services. A contract variation of £5m will provide the flexibility to provide the additional services required for 23/24 and 24/25.

5.39. Funding forecast breakdown is outlined below. The newly created City and Hackney Combating Drugs Partnership (CDP) has agreed to 23/24 delivery,

with the likelihood agreed services will continue into 24/25. Additional services to be awarded, and the potential need for reprofiling other funds from the grant envelope, will be agreed by the CDP during 23/24. This will be in line with OHID and Central Government timelines.

- 5.40. Value for money and quality have been assured through a thorough benchmarking process, both locally and nationally. Locally, benchmarking has been conducted with neighbouring commissioners and services, and nationally OHID benchmarks all budget templates and only signs off on budgets which meet their value for money and quality thresholds. Further quality assurance is conducted quarterly through contract monitoring with the provider.
- 5.41. The recommended contract variation is an indication of how the grant funding, with the increase in staff, improved pay and conditions, and increased treatment capacity and quality impacts the overall contract value of this commissioned service.
- 5.42. **Additional funding breakdown**
- 5.42.1. Below is a provisional breakdown of the services to be delivered covering the period 23/24 and 24/25.
- 5.42.2. A significant contingency management cost is reflected due to the large increase indicated in funding in 24/25, as well as to enable reprofiling of any underspend across the overall grant envelopes mid-year.

<b>Intervention</b>	<b>Total forecast spend for Turning Point FY 23/24-24/25</b>	<b>Funding Stream</b>
Senior Recovery Worker	£55,125.00	SSMTRG
Non Medical Prescriber	£135,198.00	SSMTRG
Additional recovery workers	£462,462.80	SSMTRG
Through the Gate Workers	£167,727.00	SSMTRG
Clinical Psychologist	£63,245.00	SSMTRG
Addictions Psychiatrist	£194,040.00	SSMTRG
Peer Mentoring Programme	£26,201.00	SSMTRG
Naloxone increases	£33,708.00	SSMTRG
Increased Dispensing Costs	£106,090.08	SSMTRG
pay increases	£457,400.16	SSMTRG
Dual Diagnosis Strategic Manager	£228,456.00	RSDATG
Dual Diagnosis Outreach Worker	£450,000.00	RSDATG

Trauma Aware Pathway navigator	£160,512.00	RSDATG
Data Coordinator	£64,174.00	RSDATG
Business Support Officer	£56,967.60	RSDATG
Nurse	£109,480.00	RSDATG
Alcohol Nurse	£109,480.00	RSDATG
General Practitioner	£20,000.00	RSDATG
Women's Healthcare Assistant	£44,804.40	RSDATG
Senior MH Practitioner / CBT Therapist	£52,962.40	RSDATG
Clinical supervisions	£11,040.00	RSDATG
Dual diagnosis training	£35,992.00	RSDATG
Contingency Management	£14,000.00	RSDATG
ADHD assessments	£16,000.00	RSDATG
Fibroscanner Lease	£42,000.00	RSDATG
NMP Nurse	£123,308.00	RSDATG
Contingency	£1,759,626.56	SSMTRG
<b>Total</b>	<b>£5,000,000.00</b>	

## 6. Alternative Options (Considered and Rejected)

6.1. The table below lists the alternative options to the suggested contract variation:

Alternative Options	Risks	Reasons for Rejecting
Complete a full procurement process for each new allocation of grant funding	Completing a full procurement process takes a minimum of 6 months and if a new provider was appointed a further 6 month mobilisation period would be required, leaving little time to demonstrate impact.	<p><b>Unable to demonstrate impact within the timeframe.</b></p> <p><b>Risks not meeting the grant agreement, and money being withdrawn.</b></p> <p><b>Risks any new service experiencing teething problems in mobilisation and establishing clear joint working protocols, jeopardising safety of individuals accessing</b></p>

		<b>service.</b>
Insourcing	<p>Wherever possible existing insourced services have been awarded grant funding: STEPs, Young Hackney Substance Use Service and Adult Social Care.</p> <p>The adult community drug and alcohol service is a hugely complex service, requiring a clinical team, a consultant psychiatrist and at present 90 Recovery Workers, it is therefore too complex to insource, and especially in such short timeframes.</p>	<p><b>Insourcing has been achieved wherever possible.</b></p> <p><b>The adult service is too complex for insourcing and other technical reasons stand in the way of bringing an additional provider of services into the authority area.</b></p>
Do nothing, and do not accept the grant funding	Given the dire need for funding this option would leave a desperately underfunded community treatment system unable to respond to the increase in drug related deaths and poor treatment outcomes.	<b>Risks the very health and wellbeing of residents and fails to demonstrate the very real difference this money can and is making.</b>

## **7. Project Progress**

### **7.1. Developments since the Business Case approval**

7.1.1. As outlined above, multiple funding streams from Central Government have become available in the years since the business case for the original service. Confirmation of the grants on a year by year basis, and the need to demonstrate rapid impacts, has resulted in the need to vary the existing contract.

### **7.2. Whole Life Costing/Budgets**

7.3. The below tables outline the total grant awards LBH has received, or is likely to receive. As we do not know about funding beyond 2025 these figures are not contained in the below tables, but we assume that values will remain broadly the same or increase.



Grant Title	23/24 confirmed grant award	24/25 Indicative grant award	Total Grant value
RSDATG	£1,106,329	£1,106,329	£2,212,658
SSMTR	£1,490,000	£2,890,000	£4,380,000
<b>Total</b>	<b>£2,596,329</b>	<b>£3,996,329</b>	<b>£6,592,658</b>

7.4. The below table outlines how the confirmed and indicative grant funding relates to the funding to be made available to Turning Point to cover the additional costs outlined in table 5.42

Funding Allocated to TP	2023/24 Forecast Grant Usage	2024/25 Indicative Grant Usage	Total
RSDATG	£769,588	£769,588	£1,539,176
SSMTR	£777,899	£2,682,925	£3,460,824
<b>Total</b>	<b>£1,547,487</b>	<b>£3,452,513</b>	<b>£5,000,000</b>

7.5. As the level of funding available for 24/25 is currently indicative any contract variation provided to Turning point will reflect that further funding being made available is dependent on both:

7.5.1. OHID funding award

7.5.2. agreement of the Combating Drugs Partnership concerning interventions necessitated by the available funds

#### 7.6. Risk Assessment/Management

Risk	Likelihood	Impact	Overall	Action to avoid/mitigate risk
Reputational risk of failing to fully utilise available grant	Medium ▾	Medium ▾	Medium ▾	Contract variation with existing provider would provide the flexibility to commission additional and new services to take full advantage of all grant streams
Inability to recruit to specialist posts promptly	High ▾	Medium ▾	Medium ▾	Agreed salary uplift so posts remain competitive in pay

Poor coordination between partner agencies in short timeframes guaranteed by government	Low ▾	Medium ▾	Medium ▾	Established Combating Drugs Partnership, a multi-agency forum tasked with oversight of the sector and ensuring delivery on local and national priorities
Risk of future years grants being withheld if LBH fails to delivery adequately	Low ▾	High ▾	Low ▾	We have already established a track record of effective working through the core service and the ADDER program
	Select ▾	Select ▾	Select ▾	

8. **Savings**

N/A

9. **Sustainability Issues and Opportunities, Social Value Benefits**

9.1. **Procuring Green**

9.1.1. Turning Point is contracted to provide a needle syringe exchange programme which will promote the safe disposal of injecting equipment, in addition to the service ensuring appropriate disposal of medication. Funding from the SSMTR grant has been set aside to support a peer based needle exchange program through the London Joint Working Group to further support this aim.

9.1.2. Turning Point committed in their original tender to:

- Regular environmental impact audits completed within the service
- Monthly 'Community Cleanups' (i.e. litter pickups) in areas where littering is a persistent problem
- Development of a Hackney and City specific Environmental Action Plan
- Commitment to becoming a listed organisation on the Hackney Zero Waste Initiative
- Other initiatives such as banning single use plastics within the service, ensuring energy efficiency, minimising unnecessary travel for staff and reducing the use of paper.

9.2. **Procuring For A Better Society**

9.2.1. Specialist drug and alcohol treatment is strongly evidenced to have a good return on investment by reducing A&E attendances and/or criminal behaviour. Turning Point have previously committed to:

- Offering 3 apprenticeship opportunities per year
- Working with Volunteer Centre Hackney and their 350+ partners across the borough to create and identify volunteering opportunities
- Delivering education, training and employment programmes to support service users into work.

### 9.3. **Procuring Fair Delivery**

9.3.1. The City and Hackney Recovery Service is obliged to reach out to people in the borough with the highest complex needs in terms of substance misuse, and support local communities and people. The service KPIs aim to increase treatment engagement in underrepresented groups which includes women, the LGBTQ community and individuals from ethnically diverse communities. Equalities data indicates that both women and underrepresented ethnic groups are increasing in numbers within the service, and that referrals into the organisation for individuals presenting as members of these demographics are also increasing.

9.3.2. In recognition of the impacts of the cost of living crisis and the importance of substance use worker roles, public health has supported a salary uplift to ensure the provider achieves pay parity with similar services around the country. The payment of the London Living Wage for all staff employed to deliver the service was a requirement of the original contract and will also apply to the proposed variation.

## 10. **Equality Impact Assessment and Equality Issues**

10.1. The activities proposed in this report will actively contribute to reducing health and economic inequalities in our population that arise as a result of substance use, as the impacts of substance use disproportionately affect some communities and ethnicities. SWIM, a Hackney based charity working with older Black African men who have experience of the Criminal Justice System has been central to the delivery and success of project ADDER locally.

10.2. Equalities data indicates that both women and underrepresented ethnic groups are increasing in numbers within the service, and that referrals into the organisation for individuals presenting as members of these demographics are also increasing. This indicates a good level of partnership work across the borough from the organisation, and that other professional agencies accept that the service is offering a good service to individuals in need of support to remain safe from drug use harms.

## 11. **Social Value Benefits**

11.1. Investment in the prevention of drug and alcohol harms is known to provide multiple social benefits to individuals, families and communities as well as

representing a significant societal cost saving<sup>4</sup>. Around 20% of children in need are affected by drug misuse and around 18% by alcohol misuse; safeguarding is core to the function of drug and alcohol treatment services alongside major benefits for parents and children. The Office for Health Improvement and Disparities cites social cost savings of £4 for every £1 invested in drug treatment, through tackling lost productivity, crime and policing, and demands on the NHS.

12. **Tender Evaluation**

NA

13. **Recommendation**

NA

14. **Contract Management Arrangements**

14.1. **Resources and Project Management (Roles and Responsibilities):**

14.1.1. Quarterly Contract Monitoring Meetings have been held since Turning Point became the provider in 2020. These meetings require Turning Point to prepare both a KPI monitoring form and a narrative report. The grant funding streams derive their outcomes from the existing Central Government approved National Drug Treatment Monitoring System.

14.2. **Current Performance Summary:**

Refer to Exempt Appendix 3.

14.3. **Key Performance Indicators**

14.3.1. Core service KPIs are as follows:

- increase the number of individuals receiving treatment in the borough
- decrease the number of individuals leaving before treatment finished
- increase the number/proportion of individuals accessing treatment from underrepresented ethnic groups
- increase the number/proportion of women accessing treatment
- increase the distribution of Naloxone to individuals
- increase in the number of individuals with a mental health support need accessing support for this
- increase the number of individuals with a housing support need/rough sleeping accessing safe accommodation and housing related support

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<sup>4</sup><https://www.gov.uk/government/publications/alcohol-and-drug-prevention-treatment-and-recovery-why-invest/alcohol-and-drug-prevention-treatment-and-recovery-why-invest>

- 14.3.2. Alongside these, the grant funded programmes will be working indirectly to improve a number of other measures relating to preventable non communicable diseases.
- 14.3.3. The National Drug Treatment Monitoring System captures new presentations, treatment retention, housing and employment outcomes, estimates of unmet need, unplanned exits, time in treatment, numbers prescribed opiate substitute therapy, Blood Born Viruses, Liver Screening, HIV screening, naloxone distribution, deaths in treatment, number of parents in treatment and status of childcare, mental health need and tobacco use.
- 14.3.4. It is anticipated that additional data will also be required to better capture improvements in the quality of treatment received, and steps taken to develop the workforce.
- 14.3.5. Taken together these KPIs support the Mayor in increasing equality of access to good quality health services, and that these services are delivered to be culturally sensitive. They further support the pledge for a healthier Hackney, and one where the more vulnerable residents are given the best integrated treatment to achieve sustained change and an improved quality of life which includes access to training and employment, greater independence, and control over their lives.

## **15. Comments Of Group Director Of Finance And Corporate Resources**

- 15.1 The purpose of this report is to seek approval from the Cabinet Procurement and Insourcing Committee for a contract variation.  
In respect of City and Hackney Integrated Drug and Alcohol Service. This contract variation aims to enhance the City and Hackney Integrated Drug and Alcohol Service, which currently operates under an existing contract valued at £24m. The proposed variation seeks to deliver £5m of additional activity over the next two years, starting in April 2023, thereby increasing the maximum contract value to £29m.
- 15.2 The cost to deliver the additional activities of £5m will be funded from central government grants, as outlined in section 7.2. These grants have been awarded to enhance the support of drug and alcohol community treatment across the borough. Given the reliance on central government grants, it is crucial the service closely monitors the contract and funding. This will ensure a clear understanding of any budgetary gaps and allow for timely adjustments. It is essential to promptly identify and address any changes to the availability of funds to ensure that the expenditure remains within the allocated funding for the service.
- 15.3 As the grant amount for 2024/25 is still indicative and subject to confirmation, it is imperative to maintain ongoing monitoring and adaptability to align expenditure with the funding available.

16. **VAT Implications On Land & Property Transactions**

N/A

17. **Comments Of The Director, Legal, Democratic & Electoral Services**

- 17.1. The proposed variation of contract is permitted under Regulation 71(1)(b) of the Public Contracts Regulations 2015 which allows the inclusion of 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, and (ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority. This is subject to the provision that any increase in price does not exceed 50% of the value of the original contract. The reasons why a change of operator cannot be made, and the impact on costs for the Council, are set out in paragraphs 5.35 - 5.42 of this Report. The proposed value of the variation to the contract is also below 50% of the original contract value.
- 17.2. The award of contract for the Adult Integrated Drug and Alcohol Service was approved by Cabinet Procurement Committee (now Cabinet Procurement and Insourcing Committee) on 9th September 2019. Under paragraph 3.3.17 of the Constitution Cabinet Procurement and Insourcing Committee is responsible for reviewing contract variations as set out in Contract Standing Orders.

18. **Comments Of The Procurement Category Lead**

- 18.1. This report relates to a variation of the existing contract for the delivery of the City and Hackney Integrated Drug and Alcohol service. The variation is proposed to facilitate approximately £5m of additional activity to be delivered over the next two years, commencing on 1st April 2023.
- 18.2. The value of the contract variation sought is above the delegated authority of the Group Director and the total cost of the contract, inclusive of the proposed variation is greater than £2M, therefore under the Council's Contract Standing Orders approval must be sought from Cabinet Procurement and Insourcing Committee via a written report.
- 18.3. The value of the service is also above the relevant public procurement threshold (Public Contract Regulations 2015, Social and Other Specific Services 'light touch' regime). Therefore there is some risk of challenge to varying the contracts without competition. However, the short timescales available to make use of the various grant funding pots combined with the technical and operational challenges to delivering the activity outside of the established Drug and Alcohol service, provide a justification for this course of action when compared with the alternative options considered.
- 18.4. Suitable KPI are in place for the extension period and sustainability deliverables are noted.

- 18.5. The requested variations cover the period up to the end of March 2025, modification notices must be published as required in accordance with the regulations for transparency purposes.

**Appendices (Public)**

Appendix 1- Summary of Stakeholder Engagement

Appendix 3 - Hackney and City Integrated Substance Misuse Service KPIs

**Exempt Appendix**

Appendix 2 - Turning Point Current Performance

By Virtue of Paragraph(s) 3 Part 1 of schedule 12A of the Local Government Act 1972 this report and/or appendix is exempt because it contains Information relating to the financial or business affairs of any particular person (including the authority holding the information) and it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**Background Documents**

None

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## Hackney and City Integrated Substance Misuse Service - Open Appendix 3

### Key Performance Indicators

Performance Indicator	Definition	Target performance	Frequency
Rate of successful completions from drug and/or alcohol treatment	Number and proportion of service users successfully completing treatment broken down by substance group (Opiate, non-opiate, alcohol only, and alcohol and non-opiate)	Per substance, to perform in line with or exceeding national and regional average performance. Performance within the top quartile range must be an aspiration of the service.	12 month rolling indicator
Rate of representations to drug and/or alcohol treatment	Number and proportion of services users who successfully completed treatment but returned to treatment within 6 months of completion, broken down by substance group	Per substance, to reduce the rate of representations in line with national and regional performance. Performance within the top quartile range must be an aspiration of the service.	18 month rolling indicator
Drug related deaths	Rate per 100,000 of deaths registered in Hackney (and the City of London) which have an underlying cause is linked to drug misuse or drug poisoning that involves a substance controlled by the Misuse of Drugs Act 1971.	A reduction in the rate of drug related deaths seen in Hackney and the City of London	Annually
Continuity of care	The percentage of referrals from prison substance misuse team to community teams that are engaging in community drug and alcohol treatment within 3 weeks of release	Increase rate of continuity of care to be at least in line with the national average (30%), with ambitions for a higher rate of continuity of care	12 month rolling indicator

Performance Indicator	Definition	Target performance	
Increase of: <ul style="list-style-type: none"> <li>• Non-opiate presentations into treatment</li> <li>• Alcohol only presentations into treatment</li> </ul>	Number of new presentations to structured treatment per quarter broken down as: <ul style="list-style-type: none"> <li>• Non-opiate only</li> <li>• Alcohol and non-opiate</li> <li>• Alcohol only</li> </ul>	Non-opiate / Alcohol and non-opiate - <b>350</b> new presentations per financial year  Alcohol only – <b>280</b> new presentations per financial year	Annual target, monitored quarterly
Reduce estimated unmet treatment need for local: <ul style="list-style-type: none"> <li>• Opiate and/or crack cocaine users (OCU)</li> <li>• Alcohol only users</li> </ul>	Reduce unmet need by increasing the proportion of local residents (City and Hackney) estimated to be dependent on OCU or alcohol only engaged with drug and alcohol treatment	Quarter on quarter reduction of unmet need across the groups  OCU – <b>under 50%</b> unmet need  Alcohol only – <b>under 70%</b> unmet need	Quarterly
Increase number of individuals engaging in treatment from underrepresented groups: <ul style="list-style-type: none"> <li>• BME</li> <li>• LGBTQI</li> <li>• Women</li> <li>• Parents</li> </ul>	Number of % of new presentations engaging with treatment that represent the diversity of City and Hackney	Monitor over time, year on year increase expected in first 24 months of service delivery  <b>Review target at 24 months</b>	Annually

Increase the proportion of service users engaged in effective treatment	Number and % of service users who complete treatment within 12 weeks <u>or</u> are successfully engaged in treatment for over 12 weeks	To perform in line or exceeding national and London average performance	
Reduce attrition of treatment engagement <ul style="list-style-type: none"> <li>• Overall</li> <li>• In early stages of treatment</li> </ul>	<ol style="list-style-type: none"> <li>1. Number and % of service users leaving treatment in a planned way</li> <li>2. % of new presentations who had an unplanned exit from treatment before being retained for 12 weeks</li> </ol>	<ol style="list-style-type: none"> <li>1. to perform in line or exceeding national and London average performance</li> <li>2. Downward trend on a quarterly basis, to be in line with national performance</li> </ol>	Quarterly
Increase the proportion of service users with mental health needs effectively receiving treatment for both substance misuse and mental health	<ol style="list-style-type: none"> <li>1. Number and % of new presentations with a self-disclosed mental health not currently receiving treatment referred to mental health treatment and/or support</li> <li>2. Number of those referred that go on to successfully receive mental health support or treatment</li> <li>3. Proportion of front line staff trained in the Trauma Informed Approach</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>100%</b></li> <li>2. <b>&gt;50%</b></li> <li>3. <b>100%</b></li> </ol>	Quarterly
Increase the provision of effective wrap-around support offered to service users in treatment	<ol style="list-style-type: none"> <li>1. Number and % of service users with unstable housing or homeless referred and achieving housing support/accommodation</li> <li>2. Number and % of service users referred and engaged in employment, education, or training activities (ETE, including volunteering)</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>100%</b> referred, <b>&gt;50%</b> achieving stable accommodation</li> <li>2. Monitor over time, target to be agreed within <b>12 months of contract start</b></li> </ol>	Quarterly

<p>Increase the proportion of BBV testing and treatment completed by the service</p>	<ol style="list-style-type: none"> <li>1. % of eligible new presentations offered and accepting a Hepatitis B vaccination</li> <li>2. % of those accepting then go on to complete the vaccination course</li> <li>3. % of eligible new presentations offered and accepting a Hepatitis C test</li> <li>4. % of those accepting then go on to receive the test</li> <li>4. % of those with a positive Hepatitis C status offered, starting and completing treatment</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>60%</b></li> <li>2. <b>&gt;40%</b></li> <li>3. <b>80%</b></li> <li>4. <b>&gt;50%</b></li> <li>5. <b>100%</b> offered, <b>&gt;60%</b> start, <b>&gt;80%</b> competing</li> </ol>	<p>Quarterly</p>
<p>Increase the proportion of service users prescribed optimal opiate substitute treatment (OST)</p>	<p>Reduce the proportion of OST prescribed service users that continue to report substance use –including illicit substances, alcohol and non-prescribed medication</p>	<p><b>&lt;50%</b> of OST prescribed service users reporting continued illicit substance use (including alcohol and non-prescribed medication)</p>	<p>Quarterly</p>
<p>Deliver outcomes in Criminal Justice settings, in line with MOPAC funding</p>	<ol style="list-style-type: none"> <li>1. % of notified treatment transfers released from prison will be engaged in community substance misuse treatment within 3 weeks of released</li> <li>2. % of individuals subject to a Drug Rehabilitation Requirement and/or an Alcohol Treatment Order complete their orders</li> <li>3. % of new presentations to the community service to come from the Criminal Justice Pathway</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>60%</b></li> <li>2. <b>60%</b></li> <li>3. <b>≥17%</b></li> </ol>	<p>Quarterly</p>
<p>Increase multi-disciplinary working with local partners to support to complex and multiple health and</p>	<ol style="list-style-type: none"> <li>1. Delivery of 1 Partnership/Alliance event per year</li> <li>2. Delivery of training to local partners likely to come into contact with adults who misuse substances</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>1 event a year</b></li> <li>2. <b>At least 4 training sessions per year</b></li> </ol>	<p>Annual target, monitored quarterly</p>

social care needs service users often present with			
Support the reduction of substance related hospital admissions across City and Hackney	<ol style="list-style-type: none"> <li>1. Provision of a hospital liaison team</li> <li>2. Reduction in substance related hospital admissions observed on the Public Health Profiles</li> <li>3. Local data collection</li> </ol>	No specific target, <b>to monitor over time</b>	Annually

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