

Birmingham City Council

Report to Cabinet

28th June 2022



Subject: **SUBSTANCE MISUSE COMMISSIONING PROPOSALS**

Report of: **Dr Justin Varney**
Director for Public Health

Relevant Cabinet Member: **Cllr Mariam Khan - Health and Social**
Cllr Yvonne Mosquito - Finance and Resources
Cllr Karen McCarthy - Children, Young People and Families

Relevant O &S Chair(s): **Cllr Mick Brown - Health and Social Care**
Cllr Akhlaq Ahmed - Resources
Cllr Kerry Jenkins - Education and Children's Social Care

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 010231/2022		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If relevant, state which appendix is exempt, and provide exempt information paragraph number or reason if confidential:		

1 Executive Summary

- 1.1 The report is seeking approval to extend the current Substance Misuse contracts with Change, Grow, Live and Aquarius for a maximum period of 12 months.
- 1.2 The report outlines the proposed substance misuse commissioning timeline that ensures continued service delivery.

2 Recommendations

2.1 That Cabinet; -

- 2.1.1 Approves the extension to the Substance Misuse contract with Change, Grow, Live for a maximum period of 12 months (1st April 2023 to 31st March 2024).
- 2.1.2 Approves the extension to the Substance Misuse contract with Aquarius Action Projects (The Richmond Fellowship Group) for a maximum period of 12 months (1st April 2023 to 31st March 2024).
- 2.1.3 Delegates the approval of the Commissioning and Procurement Strategy for the future service provision to the Cabinet Members for Health and Social Care and Finance and Resources.
- 2.1.4 Authorises the Interim City Solicitor (or their delegate) to conclude and enter into all legal documents to give effect to the above.

3 Background

- 3.1 The responsibility for commissioning Substance Misuse Services transferred to the Local Authority on the 1st April 2013. The provision of Substance Misuse Services is a condition of the Public Health Grant that is received into the Council. Under the HSC Act 2012, local authorities have the duty to reduce health inequalities and improve the health of their local population by ensuring that there are public health services aimed at reducing drug and alcohol misuse and have regard to the need to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services.
- 3.2 Currently the adult substance misuse treatment service is delivered by Change, Grow, Live (CGL) under a contract which commenced on 1st March 2015 and expires on the 31st March 2023 to support people in treatment across five locality hubs in Birmingham. CGL work in a multi-agency partnership approach across the city to achieve treatment completion rates at or above the core city averages. Services provided through partnership include specific service elements focused on mental health, prison release, employment, criminal justice, blood-borne viruses, domestic abuse, acute sector, child protection and homelessness.
- 3.3 The children and young people's service is delivered by Aquarius Action Projects (The Richmond Fellowship Group) under a contract which commenced on 1st October 2019 and expires on the 31st March 2023, supporting young people by providing a range of interventions to address their drug and alcohol use. There are strong partnership arrangements to address criminal and sexual exploitation, homelessness, mental health, parental substance misuse and county lines. Aquarius staff are trained in Hidden Harm, Adverse Childhood Experiences and Contextual Safeguarding to ensure best practice to protect vulnerable children and young people.

- 3.4 Both contracts continue to perform successfully against required outputs and outcomes.
- 3.5 Nationally and locally, there is a significant amount of pending strategic direction that is required to confidently develop future Birmingham substance misuse services that can meet current and future priorities, these include:
- The Dame Carol Black review (parts one and two were published February 2020 and July 2021 respectively); Part two made 32 recommendations for change across various national and local government departments and other organisations to improve the effectiveness of drug prevention and treatment services. Some national recommendation responses are still awaited and will impact on local delivery requirements.
 - The publication of new National Quality Standards is anticipated in the Summer of 2022.
 - A national drugs strategy for England was recently published in response to the Dame Carol Black review. A main strand of which is the importance of developing local partnership working. This is in its infancy in Birmingham. Key partners include the Office of the Police and Crime Commissioner and the local Clinical Commissioning Groups (soon to be Integrated Care System - ICS).
 - Locally, there has been consultation on a draft drug and alcohol strategy – “Triple Zero”. The final version of the strategy is expected to be presented to Cabinet in Summer 2022. This will include a new substance misuse needs assessment.
- 3.6 Taking account of the aspects of the strategy, policy and guidance detailed above it is proposed that there is further time required for the publication of those relevant documents to ensure that services meet the future requirements.
- 3.7 The current substance misuse service contracts with Change, Grow, Live (Adults) and Aquarius (Children and Young People) both currently expire on the 31st March 2023.
- 3.8 In order to ensure that services continue to be delivered during the development of the new service models and that changes in local and national policy are understood, an extension of these two current contracts would enable the Council to be in a better position to go to market in 2023.

4 Options considered and Recommended Proposal

- 4.1 Do Nothing – do not extend the current services or procure, this would lead to a failure to provide services which are a condition of the Public Health Grant. This is not recommended.
- 4.2 Commission the market to deliver the outcomes within this financial year – with the national developments and outcomes expected, this could lead to the Council having procured a service that does not align with the national standards and

outcomes. Alternatively, it would be a short contract term which is not financially viable for the Council or provider creating further instability in service provision.

- 4.3 Extend the current services and procure in 2023 – extend the current service contracts to enable the national documents and developments to be published which allows sufficient time for a robust commissioning and procurement process to be completed. This would also allow stability with consideration being given for a longer-term contract. This is the recommended proposal.
- 4.4 It is proposed to extend the Children and Young People's service alongside the adult service so that a whole life-course approach can be procured and delivered, and the transition between services is efficiently delivered. This will also ensure that both adult and children and young people services will be more effectively aligned to best meet the needs of Birmingham's population.

5 Consultation

- 5.1 The contents of this report were discussed at the Public Health Senior Management Team (PHSMT) on the 12 April 2022. The PHSMT are supportive of the recommendations within this report.

6 Risk Management

- 6.1 The policy has been developed through a robust project management programme that includes the management and identification of risks that are tracked as part of the project delivery.
- 6.2 To minimise the risk of possible challenge from the market a Voluntary Ante Ex-Transparency Notice (VEAT) would be issued to the market to inform them of the decision and proposed timeline for the future commissioning/procurement.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 Birmingham, an entrepreneurial city to learn, work and invest in - In 2017 the adult substance treatment service joined 6 other national local authorities to trial the Government's Drug and Alcohol Individual Placement Support (IPS) Programme, to test the effectiveness of providing targeted help to people receiving substance support and who want to gain employment. The IPS model has been endorsed by Dame Carol Black as a key aspect for fit for purpose treatment models, it has received year on year extended funding and has been fully integrated into the Birmingham treatment offer.
- 7.1.2 Birmingham is an aspirational city to grow up in - Children and young people receive targeted help as early as possible to support them with issues associated with their own substance misuse or substance misuse of those that they live with. The service helps to empower young people and teaches them coping strategies to keep themselves safe and reduce risky behaviours.

- 7.1.3 Birmingham is a fulfilling city to age well in - Evidence shows that it is in older age groups where drug use rates have risen the most and alcohol misuse behaviours are most prevalent.

7.2 Legal Implications

- 7.2.1 The Health and Social Care Act 2012 and associated regulations transferred the responsibility for public health from the NHS to local authorities from April 2013. Drugs and alcohol services are not mandatory public health services as defined by the relevant legislation (Health and Social Care Act, 2012), but are in the relevant circular describing appropriate public health services (LAC(DH)(2013)3). Several key indicators in the Public Health Outcome Framework relate to these areas and it is likely that they will be assessed in terms of performance.
- 7.2.2 The Children Act 1989 requires the Council to safeguard and promote the welfare of children within their area. The Act also requires the Council to facilitate the provision by others of services, and to make such arrangements as it sees fit for any person to act on their behalf in the provision of any such service.
- 7.2.3 The Health and Social Care Act 2012 and associated regulations transferred the responsibility for public health from the NHS to local authorities from April 2013. Drugs and alcohol services are not mandatory public health services, but the local authority has the power to provide community-based services to those with alcohol and drugs misuse problems who meet the eligibility criteria for those services.

7.3 Financial Implications

- 7.3.1 The cost of the proposed extensions to the two (2) Substance Misuse Contracts will be funded through the Public Health Grant that is received by the Council. There is no additional funding required from the Council to support the extensions of the contracts.
- 7.3.2 Children's Substance Misuse – this service is currently provided by Aquarius Action Projects (The Richmond Fellowship Group), the proposal for the extension for the period of 12 months. The overall value of the 12-month extension would therefore be £673,000, which is the same as the current financial year, as the contract is no inflation.
- 7.3.3 Adults Substance Misuse – this service is currently provided by Change, Grow, Live (CGL), the proposal for the extension for the period of 12 months. The overall value of the 12-month extension would therefore be £14,696,149, which is the same as the current financial year, as the contract is no inflation.

7.4 Procurement Implications

- 7.4.1 There is no further delegated provision to extend the current contracts, as the original extensions have already been utilised.

- 7.4.1.1. Adult Substance Misuse contract commenced with CGL 1st March 2015 and expired on the 28th February 2020 and the two subsequent extensions have brought the contract end date to 31st March 2023
- 7.4.1.2. The Children and Young People Substance Misuse contract commenced with Aquarius Action Projects (The Richmond Fellowship) on 1st October 2019 and expired on 30th September 2021 and the subsequent extension has brought the contract end date to 31st March 2023
- 7.4.2 Regulation 72. (1) of the Public Contract Regulations provides that “Contracts and framework agreements may be modified without a new procurement procedure...in any of the following cases...(b) for additional works, services or supplies by the original contractor that have become necessary and were not included in the initial procurement, where a change of contractor... (ii) would cause significant inconvenience or substantial duplication of costs for the contracting authority, provided that any increase in price does not exceed 50% of the value of the original contract.”
- 7.4.3 This circumstance complies with Regulation 72(1)(b)(ii) as set out in 7.4.2, the costs of the extension as detailed in the private report do not exceed the 50% tolerance. As set out in paras 3.5 and 3.6 above, there is a significant amount of uncertainty surrounding strategic direction for substance misuse services and to go to market in advance of this being resolved would present the Council with a real potential that services would be procured that do not align with the national standards and outcomes.
- 7.4.4 In addition, a Voluntary Ante Ex-Transparency Notice (VEAT) would be issued to the market to inform them of the decision and proposed timeline for the future commissioning/procurement.
- 7.4.5 In parallel with the proposal to extend current contract arrangements for a further 12 months to the 31 March 2024, consideration has been given to ensuring continuity of delivery of current services.
- 7.4.6 The indicative implementation plan for the commissioning and procurement is detailed below to demonstrate that this can be completed in the proposed extension period:

Activity	Proposed Dates
Stakeholder partnership response to the national drugs strategy	Spring 2022
National Quality Standards Published	Summer 2022
Triple Zero local drug and alcohol strategy approved	Summer 2022
Co-production with citizens	January 2023 onwards
Market engagement to develop specification	March 2023
Commissioning Strategy approved	April 2023
Procurement Strategy approved via Cabinet	July 2023
ITT and specification signed off	August 2023
Tender published to the market	September 2023

Evaluation Period	October 2023
Contract Award approved/awarded	December 2023
Mobilisation period	January-March 2024
Contract Start	1 st April 2024

7.4.7 The proposal for the procurement is via the open tender route to market. The proposed split for price, quality and social value is based on ensuring that the quality and provision provided would be able to meet the needs of our most vulnerable citizens whilst still maintaining value for money, therefore the split of 50% Quality, 30% Price and 20% Social Value.

7.4.8 It is proposed that the approval of the Procurement Strategy be delegated to the Cabinet Members for Health and Social Care and for Finance and Resources and the Director of Public Health to enable the procurement of a new integrated model to be achieved within the advised timeline above.

7.4.9 The contracts will continue to be managed by the Public Health Commissioning Team within the Adult Social Care Directorate. As part of the ongoing contract management the provider will be required to update their Social Value Action Plan to include new targets for their plan for a further year of service delivery.

7.4.10 Recent Social Value Action Plan updates include:

- Apprenticeships for those with lived experience in provider owned social enterprise
- Roll out of NVQs and accredited qualifications
- Volunteering opportunities
- Engagement with Commonwealth Games
- Partnerships with colleges and training providers, third sector and community organisations
- 85% of staff employed live in Birmingham
- Wide range of green environmental initiatives
- Membership with Social Value UK
- Increased investment with local businesses for supplies and services
- Full compliance with Living Wage and enhanced employment practice
- Disability confident certified employers.

7.4.11 Early indicators for the extension period, if approved, include:

- Training for partners
- Develop peer mentoring programmes
- Increase targets around waste management, recycling, reduction in carbon footprint, reduced travel,

- Registration with Find it in Birmingham,
- Additional fundraising for roles to enhance contract delivery.

7.5 Human Resources Implications

7.5.1 None

7.6 Public Sector Equality Duty

7.6.1 See **Appendix 2** Equality Impact Assessment (EQUA899)

7.6.2 The requirements of Standing Order No. 9 in respect of the Council's Equal Opportunities Policy are incorporated in the contract for those services proposed to be extended.

7.6.3 The requirements of the Equality Act 2010 are specifically included in the contract to ensure compliance with the Act.

8 Appendices

8.1 Appendix 1 - Equality Impact Assessment (EQUA899)

9. Background Documents

The following publicly available documents have been used or referred to in the drafting of this report:

- 9.1 Dame Carol Black's independent report - Review of drugs: phase one report, 2020
- 9.2 Dame Carol Black's independent report - Review of drugs: phase two report, 2021
- 9.3 From harm to hope: A 10-year drugs plan to cut crime and save lives, 2022
- 9.4 Draft Triple Zero Drug and Alcohol Strategy and consultation documents, 2021 ([Triple Zero City Strategy | Birmingham City Council](#))