

## **Report to CABINET**

# **Request to extend and vary the contract for the provision of Oldham and Rochdale collaborative substance misuse treatment and recovery service**

### **Portfolio Holder:**

Councillor Chauhan, Cabinet Member Health and Social Care

**Officer Contact:** Katrina Stephens, Director of Public Health

**Report Author:** Julian Guerriero, Complex Dependency & Reducing Reoffending Co-ordinator

**Ext.** 8748

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### **Reason for Decision**

On 23<sup>rd</sup> October 2017, Cabinet approved to award the contract for the provision of an integrated substance misuse service to Turning Point Services Ltd for a period of three years commencing 1<sup>st</sup> April 2018, with provision in the contract to extend for up to 2 years (until 31<sup>st</sup> March 2023). On 22<sup>nd</sup> June 2021 Cabinet extended the contract for 1 year until 31<sup>st</sup> March 2022.

The contract is a collaborative commission with Rochdale Council. An Inter-Authority Collaboration Agreement has been signed by both Councils which agrees that Oldham Council is the lead contract authority. Rochdale Council has given delegated authority for Oldham Council to extend the contract on its behalf.

### **Recommendations**

1. To extend the contract with Turning Point Services Ltd for a further one year commencing 1<sup>st</sup> April 2022 until 31<sup>st</sup> March 2023.
2. To agree a contract variation to allow Turning Point Services Ltd to deliver services in relation to Section 31 local authority grant for additional drug treatment crime and harm reduction activity and the delivery of an Individual Placement and Support (IPS) employment programme for clients in community drug and alcohol treatment.

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3. To agree a contract variation to allow Turning Point Services Ltd to deliver services in relation to Section 31 Rough sleeping drug and alcohol treatment grant (RSDATG) for Oldham Borough. Please note that at the time of writing we are awaiting formal confirmation from PHE in relation to this grant. However so as not to delay the pass through of the funding to providers, the paper has been written with the assumption that we will receive the full allocation requested.

**Cabinet**

**July 2021**

**Request to extend and vary the contract for the provision of Oldham and Rochdale collaborative substance misuse treatment and recovery service**

**1. Background**

- 1.1 Under the Health and Social Care Act 2012, local authorities have a 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.
- 1.2 The [Greater Manchester Drug and Alcohol Strategy](#) was approved in March 2019 and sets out the collective ambition to make Greater Manchester a place where everyone can have the best start in life, live well and age well, safe from the harms caused by drugs and alcohol. Reducing these harms is central to improving the safety, wellbeing and prosperity of our city-region.
- 1.3 The Strategy was subject to public consultation and co-designed with a wide range of stakeholders to provide a framework for localities and wider partners. Oldham and Rochdale Councils contributed to its implementation both locally and regionally. An external review of the Strategy was presented to the GMCA Health and Justice Board in May 2021 and they accepted all recommendations and agreed that all commitments made in the GM Drug and Alcohol Strategy (2019-2021) should be carried forward.
- 1.4 Oldham and Rochdale Councils currently collaboratively commission Turning Point Services Ltd to provide adult drug and alcohol services for Oldham and Rochdale residents. The contract was for 3 years from 1<sup>st</sup> April 2018, with an option to extend for up to 2 years on an annual basis.
- 1.5 On 22<sup>nd</sup> June 2021 Cabinet extended the contract for 1 year until 31<sup>st</sup> March 2022.
- 1.6 An Inter-Authority Collaboration Agreement has been signed by both Councils which agrees that Oldham Council is the lead commissioner. Rochdale Council has given authority for Oldham Council to award the contract on its behalf. A proposal to extend the Turning Point contract for its final year (2022/23) was approved by Rochdale's Integrated Commissioning Board on 29<sup>th</sup> June 2021.

**2. Current Position**

- 2.1 The current contract ends on 31<sup>st</sup> March 2022. There is provision within the contract to extend for a further 1 year.
- 2.2 The current annual cost of the contract is £4,400,000. This is shared equally between Oldham and Rochdale. As the lead contract authority, Oldham Council pays the provider the full contract amount and then reclaims the costs from Rochdale Council.

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- 2.3 In addition, a further £600k (£300k per authority) is available to support inpatient detoxification and residential rehabilitation for substance misuse, using the Greater Manchester Tier 4 framework for substance misuse. Rochdale Council hold this budget on behalf of both Councils, and the treatment provider is expected to manage referrals appropriately and within this budget.
- 2.4 A saving from the contract value is not proposed for the extension period, particularly given the impact of the COVID-19 emergency and increased demand on the service as a result of continuing restrictions and measures. Furthermore, the new section 31 grant funding referenced below includes a condition that local authorities in receipt of the grant do not reduce their existing level of investment in substance misuse treatment and recovery.
- 2.5 Arrangements between the two Councils are set out in an Inter-Agency Collaboration Agreement, which will be reviewed and re-signed for the new period, if the contract extension is agreed.

### **3. Points to Consider**

- 3.1 The last year of service delivery has been during the Covid-19 pandemic. Turning Point Services Ltd have continued to work in a proactive way with commissioners to minimise disruption to service delivery and ensure that service users, in particular those who are vulnerable and high risk, receive the treatment and support that they require.
- 3.2 It should be noted that, whilst service provision has had to be adapted and alternative delivery models (in accordance with the guidance and as agreed with commissioners) implemented, delivery of the service has continued. It is not proposed, therefore, that any reduction is made in the contract price as a result of COVID-19 pandemic.
- 3.3 The performance of Turning Point Services Ltd over the most recent year of the contract has been good during difficult times with regards to the Covid-19 pandemic. Data shows that in March 2021 Oldham's overall rate of successful completions remained unchanged at 13.5% (Baseline rate March 2020 – 13.5%). The most recent month of data indicates Oldham's overall successful completion rate amongst Opiate, Non-opiate (only) and Alcohol/Non-opiate (combined category) is 13.8% (April 2021). For Alcohol only clients the successful completion rate in March 2021 was 32.7% which was higher than the 32.2% reported in March 2020 – the April 2021 rate is a much improved 35.6%. The overall caseload of the service (Oldham) is currently at 1438 clients.
- 3.4 There have however been system wide challenges that have stretched delivery and the services ability to achieve some outcomes during the last 12 months due to the pandemic. This is due to:
- Majority of psychosocial interventions and treatment engagement being conducted online or remotely for medium to low risk groups
  - Increase in referrals due to problematic alcohol use and unsafe drinking levels associated with a rise in drinking at home during lockdowns
  - A higher than average population of alcohol/ drinkers often with long term health conditions who are now seeking treatment; with some nearing or on end of life pathways
  - Increase in Naloxone provision to high-risk groups to reduce risk of drug overdose
  - Overall caseloads now having higher levels of complexity (mental ill-health, safeguarding, domestic abuse, criminal justice and associated long term health conditions)
- 3.5 There has also been an increase in the mortality rate over the last 12 months with 22 deaths being reported (above the figure reported for 2020 which was 16).

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3.6 The above elements (largely out of control of the service) have impacted on successful completions and overall recovery rates that have been achieved in previous years with the pattern indicating that outcome measures have reverted during the pandemic to previous levels first seen at the start of the contract. Turning Point's management team have implemented an improvement plan as we move towards a more normalised form of service delivery. Key aspects identified include moving back to a full psychosocial early intervention model to engage earlier with clients before their substance misuse becomes problematic. This includes a review of eligible clients to be referred into inpatient or community detox placements and a refresh of workstreams to promote 'visible recovery' for clients, which has been heavily impacted by the COVID pandemic and resulting requirement to self-isolate.

3.7 Rochdale Council has sought and received agreement to a contract extension from their Chief Executive and have delegated authority to Oldham Council to award the contract extension.

#### **4. Request for Contract Variation (Section 31 local authority grants for additional drug treatment crime and harm reduction activity in 2021/22)**

4.1 Oldham & Rochdale Councils have received additional funding from Public Health England (PHE) to deliver two key programmes. The first is under Section 31 grant provisions of the Local Government Act 2003 and requires that all spending will be on additional drug and alcohol services. This is part of a wider government initiative to fund drug treatment and reduce drug related crime and is the biggest increase in drug treatment funding for 15 years.

4.2 Both Oldham and Rochdale have received an additional £400,000 each via Section 31 Local Authority Grant from PHE to enhance the delivery offer for those involved in the criminal justice system. This funding is for one year and is to be used to enhance drug treatment, reduce drug-related crime and drug-related deaths in both boroughs. The aim being to help drive down the crime associated with the drug market, particularly acquisitive crime and violent crime. Interventions will be monitored nationally and improve pathways from the criminal justice system into treatment services. Rochdale have agreed that this funding will be transferred to Oldham for payments to be made under the current arrangements to providers.

4.3 Commissioners have worked closely with Turning Point Services Ltd and funding will result in an additional 9.7 roles within the Oldham & Rochdale services (19.4 roles in total). This will enhance working arrangements with Police, Prison, Probation Services and improve the treatment and recovery offer for Oldham clients. The funding will also allow us to increase Naloxone provision to high risk groups to prevent Drug Related Deaths. In total £373,310 will be paid directly to Turning Point with £26,690 remaining to pay for Recovering Communities element & Drug Death Surveillance System (summarised below).

4.4 An additional £20,000 will be put aside to develop a recovering community offer with the intention to develop & expand community options & peer support networks for those in long-term recovery and who have successfully exited the treatment service. There is a continuing need to promote and increase visibility of recovery & support social integration networks. To date a provider has not been identified but both Oldham & Rochdale hope to continue discussions with Action Together in order to take this forward.

4.5 A small element of the funding (£6,690) will contribute to the establishment of Greater Manchester Drug Death Surveillance System to be delivered by Liverpool John Moores University. Each of the GM local authority areas have made a similar financial contribution based on population density. Payment will be made to Greater Manchester Combined Authority (GMCA) who will commission the system.

4.6 In addition there is a separate Section 31 local authority grant for Inpatient Detoxification and Treatment. In order for this to be secured from PHE there is a requirement to establish a commissioning consortium representing all 10 Greater Manchester Authorities. This is being

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led by Wigan as lead local authority and they will coordinate this additional inpatient detoxification funding and provision across the GM area. The focus of this will be the development/ coordination of additional medically managed, in-patient detoxification provision for those involved in offending and substance misuse. Overall additional funding secured on behalf of GM area is £650,000. This will result in a total of 2000 additional 'bed nights' across Greater Manchester with Oldham receiving 160 places for use over the next 12 months.

## **5. Request for Contract Variation (Delivery of Individual Placement and Support (IPS) Employment Programme in Community Drug and Alcohol Treatment Service)**

5.1 Funding has been secured from PHE and DWP to allow Turning Point to deliver an Individual Placement and Support (IPS) Employment Programme to clients across the Oldham and Rochdale delivery hubs. The DWP has undertaken to provide funding for the Project and PHE will forward payments via Oldham Council to transfer to the Service Provider (Turning Point). The additional funding totals £215,000 and will be paid in arrears every quarter starting July 2021 – March 2023. This is the total funding for both authorities.

5.2 This will be an additional element to the Turning Point contract and will be delivered by their provider Groundwork Greater Manchester. Turning Point has worked closely with both authorities' Economy and Skills Teams to secure this additional funding. This funding will allow Turning Point in partnership with Groundwork to establish a team of IPS employment specialists, to support clients in treatment and recovery to be able to access the local jobs market and secure employment.

5.3 IPS Employment Programmes are a key recommendation from [An Independent Review into the impact on employment outcomes of drug or alcohol addiction, and obesity conducted by Dame Carol Black](#). The review recognises the mutually reinforcing relationship between employment and recovery and that being employed at the start of treatment improves the chances of completing treatment successfully, and completing treatment improves the chances of finding employment. The evidence also suggests that employment can moderate relapse but that only around one in five people starting treatment are employed. Those who are employed tend to stay in work throughout treatment. But few who enter treatment without work find it during or after treatment. The IPS Programme will help to reverse this trend in Oldham and Rochdale.

## **6 Request for Contract Variation for Delivery of Section 31 Rough sleeping drug and alcohol treatment grant (RSDATG) for Oldham Borough.**

6.1 Oldham & Rochdale have been identified by PHE as two of 20 local authorities who are able to bid for funding based on estimated prevalence of people rough sleeping, or at risk of rough sleeping, who have substance misuse needs.

6.2 The purpose of the funding is to:

- a) Support people experiencing, or at risk of, rough sleeping to access and engage in drug and alcohol treatment.
- b) Ensure that engagement people have had with drug and alcohol treatment services whilst rough sleeping or in temporary accommodation is maintained as they move into longer term accommodation (continuity of care)
- c) Build resilience and capacity in local drug and alcohol treatment systems to continue to meet the needs of this population in future years.

6.3 The proposals were developed jointly by Oldham and Rochdale Councils and Turning Point.

6.4 Oldham's total award of this funding is £763,690. This funding will be in place until end of March 2023. The allocation per provider in relation to this grant is outlined below. The

allocation to Turning Point includes an additional allocation of £320,400 from the grant that Rochdale Council have received.

Provider	Function	Total amount (to end of 22/23)
Turning Point	Dedicated treatment team for the rough sleeper cohort, includes nurse provision and outreach capacity	£813,000 (comprising £492,600 from Oldham & £320,400 from Rochdale)
Pennine Care Foundation Trust	Provision of a dedicated dual diagnosis (substance misuse and mental health) worker for rough sleeper cohort	£39,361
Oldham Council	Peer Mentors x 2 Complex Needs & Move on peer Navigator x 1  Project support post to oversee all of this grant funding	£88,134 £63,000  £80,595

## 7 Options

- 7.1 **Option A:** At contract completion on the 31<sup>st</sup> March 2022, the service is discontinued with no provision to Oldham residents for substance misuse treatment and recovery.

This is not a viable option as this would mean that specialist substance misuse support is not available to the borough's residents and we would not meet our obligations under the Health and Social Care Act 2012. This could also have an adverse impact on commissioning plans and service delivery in Rochdale.

- 7.2 **Option B:** Proceed to market for a full tender process for a new service to be in place by 1st April 2022.

Due to the unforeseen and unprecedented situation as a direct result of the COVID-19 pandemic, it is not tenable to complete a full tender process this financial year due to restricted capacity from both commissioners and the substance misuse providers. A tendering exercise would potentially destabilise the system and disrupt service provision for those already accessing the service, at a time when there are already considerable changes to service delivery due to guidance issued in response to the COVID-19 pandemic.

There is also provision within the current contract for an extension of 1 more year and there are no performance issues with the current provider that would prompt the need to commence to an open tendering process at this time.

- 7.3 **Option C:** Approve the extension of the Adult Substance Misuse Treatment and Recovery Service for a period of one year from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023.

This is the recommended option. There is provision within the contract to extend for a further 1 year. Extending the contract by one year would minimise significant service disruption as a result of undertaking a procurement exercise, especially during the current COVID-19 emergency and the anticipated UK recovery period. It would also allow both local authorities

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to review the financial and market position moving forward into 2022 and to make an informed decision regarding future commissioning decisions.

The extension of the contract would also allow the additional 3 elements of the contract variation request to be delivered:

- I. additional drug treatment crime and harm reduction activity
- II. delivery of Individual Placement and Support (IPS) Employment Programme
- III. delivery of Rough Sleeper Drug and Alcohol Treatment

#### 7.4 Recommended Option

**Option C** - Approve the extension of the Adult Substance Misuse Treatment and Recovery Service by a period of one year from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023; which would also allow the 3 additional elements under contract variation to be delivered.

In addition, approve a contract variation to allow Turning Point Services Ltd to deliver elements & services in relation to Section 31 local authority grant for additional drug treatment crime and harm reduction activity and the delivery of an Individual Placement and Support (IPS) employment programme for clients in community drug and alcohol treatment.

Once confirmed by PHE to approve a contract variation to allow Turning Point Services Ltd to deliver elements & services in relation to Section 31 Rough sleeping drug and alcohol treatment grant (RSDATG).

### 8. Financial Implications

- 8.1 In October 2017 Cabinet approved to award the substance misuse contract to Turning Point for a period of three years with the option to extend the contract for a further two years (Report Reference Number D3096).
- 8.2 In June 2020 approval was given to extend the contract for a one-year period April 2021 until March 2022.
- 8.3 This proposal is seeking approval to extend the Turning Point contract for a final year from April 2022 to March 2023 (as per the initial report D3096).
- 8.4 The full contract price is £4.4m per annum shared equally between Oldham and Rochdale, £2.2m per Authority.
- 8.5 The current budgetary provision available from the Public Health service for Oldham is £2.5m.
- 8.6 The remaining balance, £0.3m, will be used for inpatient detoxification and residential rehabilitation which isn't included in the contract value above. Rochdale will hold this budget and manage it based on referrals received from the service provider. In 2021/22 the collective allocation will be £600,000. With the support of the commissioners, the treatment provider will be expected to manage referrals appropriately and within this budget.
- 8.7 Further to extending the existing contract, this report is seeking approval to accept additional funds secured relating to two new initiatives, which results in a variation to the existing contract with Turning Point. The existing contract is a collaborative agreement between Oldham and Rochdale Councils, the proposal is for the new initiatives to be delivered in the same guise whereby Oldham is the lead commissioner and the providers will be delivering on behalf of both Councils.
- 8.8 Section 31 local authority grants for additional drug treatment crime and harm reduction (£400k per Authority – Oldham and Rochdale). This project will be delivered predominantly by Turning

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Point at a value of £746k (£373k per Authority) with a small balance of £14k (£7k per Authority) being paid to GMCA. The remaining balance of £40k relates to Recovering Communities and Peer Support, no confirmed provider has been identified for this element, but initial discussions have been taking place with Action Together. Funding for this scheme is available during the financial year 2021/22.

- 8.9 Delivery of Individual Placement and Support (IPS) Employment Programme in Community Drug and Alcohol Treatment Service (£215k) is again a joint initiative between Oldham and Rochdale Council. This project will be delivered wholly by Turning Point. Funding for this initiative is available between July 2021 and March 2023.
- 8.10 Subject to confirmation of grant funding from PHE, a further request is to agree in principle a contract variation for Turning Point Services Ltd to deliver services in relation to Section 31 RSDATG to March 2023. Oldham has submitted a bid to the PHE for £763,690 of which £492,600 is ear marked for Turning Point and the balance of £271,090 being awarded to Pennine Care Foundation Trust and the Council. The RSDATG programme will be jointly funded with Rochdale MBC and section 6 of the report outlines full usage of funds which total £1,084,090.
- 8.11 There are no adverse financial implications as a result of this report.

(Jenny Howarth Senior Accountant/Nicola Harrop Finance Manager)

## **9. Legal Services Comments**

- 9.1 Legal Services supports the recommendation to the extend the contract by 1 year. There is provision in the current contract to extend by a further year, this is in compliance with the Council's CPR. Due to Covid it has been difficult to undertake usual procurement activity. (Sukie Kaur – Solicitor)

## **10. Co-operative Agenda**

- 10.1 All Public Health services fully support the Council's cooperative agenda as they promote the active engagement of Oldham residents and providers delivering in Oldham in Thriving Communities, Co-operative Services and an Inclusive Economy.

## **11. Human Resources Comments**

- 11.1 None

## **12. Risk Assessments**

- 12.1 There is a risk that there will be further considerable disruption to service delivery as a result of procurement activity if a contract extension is not agreed. This would be in addition to the impact on the service, staff and the experience of the service users as a result of the COVID-19 pandemic. There are no current issues with the performance of the provider and no justification to not extend the current contract as per the provision in the contract.

## **13. IT Implications**

- 13.1 None

## **14. Property Implications**

- 14.1 None



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## **15. Procurement Implications**

- 15.1 Provision exists in the current contract to extend this arrangement for a further final year 22/23 in line with the recommendations in this report. The Commercial Procurement Unit therefore supports the recommendations in this report as additional monies are being received for Individual Placement and Support (IPS) Employment Programme in Community Drug and Alcohol Treatment Service. This is a joint contract between Oldham and Rochdale Council. The Commercial procurement Unit also recommends the following future actions:
- a. A clear KPI's must be agreed with the provider and the commissioning team manages and monitors KPI's.
  - b. A contract variation document must be agreed and includes full financial information such as rates we pay i.e. per hourly or daily; not just the financial envelope.
  - c. Set up a working group involving Procurement team at early stage ensuring no further requests will be made to extend these contracts in the future.
  - d. Ensure appropriate consultation is undertaken at pre-procurement stage with the provider market.

(Mohammad Sharif 27.07.2021)

## **16. Environmental and Health and Safety Implications**

16.1 None

## **17. Equality, community cohesion and crime implications**

17.1 None

## **18. Equality Impact Assessment Completed?**

18.1 Yes, as part of the original procurement – May 2017.

## **19. Key Decision**

19.1 Yes

## **20. Key Decision Reference**

20.1 HSC-02-20

## **21. Background Papers**

- 21.1 Decision to extend contract for the provision of Oldham and Rochdale collaborative substance misuse treatment and recovery service (Cabinet report, 22 June 2020)
- 21.2 Decision to award contract for the provision of Oldham and Rochdale collaborative substance misuse treatment and recovery service (Cabinet report, 23 October 2017)
- 21.3 Equality Impact Assessment – Joint commissioning substance misuse treatment in Oldham and Rochdale (May 2017)

## **22. Appendices**

22.1 None