



Oldham
Council

Report to Cabinet

Public Health Grant Funding Allocation for Adult Substance Misuse Prevention, Treatment and Recovery Services 2026/27 – 2028/29

Portfolio Holder:

Councillor Brownridge, Cabinet Member Health and Social Care

Officer Contact: Rebecca Fletcher, Director of Public Health

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February 2026

Reason for Decision

The purpose of this report is to note the allocation of Public Health Grant funding for 2026/27 and indicative allocations for 2027/28 and 2028/29, which is ringfenced to improve Drug and Alcohol prevention, treatment and recovery delivery and associated outcomes for Oldham.

Approval is sought to delegate authority to agree all decisions related to the utilisation of the Public Health Grant for Drug and Alcohol Prevention, Treatment and Recovery and Individual Placement and Support Grant (IPS) to the Director of Public Health, after consultation with the Cabinet Member for Adult Social Care, Health, and Wellbeing for above funding period. This will include the authority to vary existing contracts (and any associated collaborative commissioning agreements) or award grant agreements or contracts stemming from a compliant procurement process. It is also requested that authority is delegated to the Borough Solicitor or nominee to carry out all necessary legal formalities, including the execution of any contracts.

Recommendations

Cabinet is requested to:

1. Note and accept the Public Health Grant for Drug and Alcohol Prevention, Treatment and Recovery and Individual Placement and Support Grant (IPS) settlement for 2026/27 to 2028/29 including the conditions of funding outlined in this report and that confirmed funding for both

elements is for 12 months, with indicative amounts for funding for future years, which will be confirmed at a later date. Agree that the grant funding is allocated to Public Health to enact, in line with the grant conditions.

2. Delegate authority for the execution of all decisions regarding utilisation of the funding from the Public Health Grant for Drug and Alcohol Prevention, Treatment and Recovery 2026/27 - 2028/29 to the Director of Public Health, in consultation with the Cabinet Member for Adult Social Care, Health and Wellbeing.
3. Delegate authority to the Director of Public Health, in conjunction with the Borough Solicitor and Director of Finance (or their nominees), to vary existing contracts (and any associated collaborative commissioning agreements), issue grant agreements or award contracts stemming from a compliant procurement process.
4. Delegate authority to the Borough Solicitor or their nominee to carry out all necessary legal formalities linked to the actions delegated to the Director of Public Health, including the execution of contracts.

Public Health Grant Funding Allocation for Adult Substance Misuse Prevention, Treatment and Recovery Services 2026/27 – 2028/29

1 Background and Context

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.
2. Having a high functioning drug and alcohol treatment and recovery offer is an essential component of the range of activity required to achieve better population health and reduce demand on health and social care services.
3. Oldham Council currently use the public health settlement to commission a range of interventions, including but not limited to an Adult Drug and Alcohol Treatment and Recovery Service (delivered by Turning Point, under the service name ROAR [Rochdale and Oldham Addiction Recovery]) and a Young People's Sexual Health and Substance Misuse Service (delivered by Early Break in partnership with HCRG Care Group under the service name, MYNO [Meeting Your Needs Oldham]) to minimise drug and alcohol related social and health harms through prevention, education and awareness raising, treatment and recovery provision.
4. Additional funding has been available from the Department of Health and Social Care (DHSC) from 2021 – 2026 to improve services in line with the ambitions of the Government's Drug Strategy, [From harm to hope: a 10-year drugs plan](#) and the recommendations from [Dame Carol Black's independent review](#). The additional funding has included the following time-limited, central government grants: Supplementary Substance Misuse Treatment and Recovery Grant (SSMTRG), In-patient detoxification (IPD) Grant, Rough Sleeper Drug and Alcohol Treatment Grant (RSDATG), Individual Placement and Support (IPS), and Housing Support Grant (HSG).
5. The grants are provided by the Department of Health and Social Care (DHSC) and managed on a regional basis by the Office of Health Improvement and Disparities (OHID). Grant funding has been dependent on the Council maintaining or building on existing investment in drug and alcohol treatment and recovery from the Public Health Settlement.
6. In line with government policy, for 2026/27, the DHSC will provide funding under the umbrella of Public Health Grant with protected financial allocations for delivery of Drug and Alcohol Prevention, Treatment and Recovery services. The Grant has been allocated for a 12-month period from 1 April 2026 to 31 March 2027 and consolidates previous grant funding provided through the Drug Alcohol Treatment Improvement Grants (DATRIG).
7. The main change to note is in the overall administration of the funding; the government is committed to simplifying the funding that is made available to local authorities. From 2026/27 for the 10 local authorities in Greater Manchester, this will mean that funding that was previously in the Drug and Alcohol Treatment and Recovery Grant (DATRIG) and the Individual Placement and Support (IPS) grant will be consolidated with supplementary funding for stop smoking services into a single Section.31 grant. This will sit alongside Public Health Grant allocation which is delivered through the Business Rate Retention Arrangements. As with previous arrangements, all grant funding is conditional on the basis that there will be no disinvestment in drug and alcohol prevention, treatment and recovery services that are funded by the core Public Health Settlement.

8. It's anticipated that the overall conditions and outcomes of Public Health Grant funding will continue to focus on reducing levels of unmet need, and an enhanced focus on the quality of the prevention, treatment and recovery offer for people with drug and alcohol treatment needs. The focus on quality will reduce attrition rates and representations, improve the number of people entering treatment and making meaningful progress, support more people to initiate and sustain recovery (including through improved employment and housing support) and reduce the number of people dying from drug and alcohol related deaths. In turn, continued improvement in the range and quality of support being provided will make services more attractive, accessible and effective.
9. Previous grant conditions have stipulated that we must report on the following seven measures, that are intended to improve the delivery of drug and alcohol services and support the long-term recovery of our residents:
 1. Increase numbers in treatment for Opiate, Non-Opiates and Alcohol
 2. Reduce unsuccessful treatment exits and improve the percentage of individuals making progress in their treatment
 3. Reduce Drug and Alcohol Related Deaths
 4. Increase capacity in the workforce and improve training
 5. Improve engagement rates (continuity of care) for those residents released from custody and maintained in treatment and recovery when in the community
 6. Increase numbers accessing Residential Rehab by 2% of all those in treatment
 7. Ensure long term recovery support and lived experience offer for Oldham residents to reduce relapse and representations back into specialist services
10. Public Health and providers have worked alongside Office for Health Improvement and Disparities Regional Teams and Greater Manchester Combined Authority to meet these targets. All have been achieved or are improving apart from a reduction in alcohol related deaths, that is slightly higher than the national average.

2 Current Position

1. The total Public Health funding for Oldham for 2026/27 is expected to be £1,681,623. This is a slight reduction from £1,684,064 received in 2025/26. This is broken into individual elements of Supplementary Substance Misuse Treatment and Recovery Grant (SSMTRG) £971,527 and the Rough Sleeping Drug and Alcohol Treatment (RSDAT) £710,096. There is a separate amount of £228,726 for the delivery of Individual Placement and Support Programme (IPS) across Oldham and Rochdale.
2. Summary of funding for elements for 2026/27 and future indicative amounts:

Although Public Health funding is one funding stream from 2026/27, for transparency we have set out below how the different lines that constitute protected funding.	2026/27	2027/28 (indicative)	2028/29 (indicative)
Public Health Funding for Prevention, Treatment and Recovery Total	£1,681,623	£1,709,482	£1,770,847
Supplementary Substance Misuse Treatment and Recovery (SSMTR)	£971,527	£1,032,892	£1,094,257
Rough Sleeping Drug and Alcohol Treatment (RSDAT)	£710,096	£676,590	£676,590
Housing Support (if eligible)	n/a	n/a	n/a
Individual Placement and Support (IPS) Oldham & Rochdale	£228,726	£235,171	£242,138
Inpatient Detoxification (consortium lead authority only)	n/a	n/a	n/a

3. Use of the above funding is subject to Planning Documentation and Needs Assessment being signed off and agreed by Office of Health Improvement and Disparities (OHID) by 13th March

2026.

3 Proposed Approach

1. In anticipation of receiving the protected drug and alcohol allocation from OHID for 2026/27, this paper is proposing that the grant funding is accepted and that authority to execute all decisions regarding use of this additional funding is delegated to the Director of Public Health, in consultation with the Cabinet Member for Adult Social Care, Health and Wellbeing.
2. Whilst the Council will hold the funds and the grant agreement with OHID, it is proposed that the budget is allocated to public health, along with the management and reporting mechanisms of the grant spend as required by the DHSC, and that the Director of Public Health has delegated responsibility for this budget and its utilisation, subject to consultation with the Cabinet Member for Adult Social Care, Health and Wellbeing.
3. As per previous years, some of the grant funding will be used to supplement services commissioned by both the Council and external partners and other elements will be used to deliver or support projects and programmes of work undertaken by individual project partners. The Director of Public Health will work with legal, finance and procurement colleagues to ensure the appropriate procedures are followed, and relevant agreements are put in place to support these arrangements. It is recommended that authority be delegated to the Borough Solicitor or their nominee to carry out all necessary legal formalities linked to the utilisation of the grant, including the execution of contracts.
4. In executing the Public Health Grant for drug and alcohol prevention, treatment and recovery on behalf of Oldham, the following activity will be required to be undertaken:
 1. To review the core Specification for commissioned treatment and recovery service and incorporate a revised KPIs framework that includes requirements of Public Health Grant.
 2. Agree a revised staffing model with Turning Point that removes most of the delineations between funding sources for the various teams commissioned under the core contract and Public Health Grant, essentially re-profiling the service delivery offer. This work will be completed in partnership with the Rochdale Public Health Commissioning Team due to the joint commissioning arrangements for Turning Point to deliver treatment and recovery services across Oldham and Rochdale. This will allow us to review the Contract and reflect 3-year allocation for 2026 – 2029 period and work towards embedding a fully integrated Oldham and Rochdale treatment system.
 3. Modifications to existing substance misuse contracts funded by core public health budget (and any associated collaborative commissioning agreements), where provision allows subject to procurement and legal advice, to allow expenditure of the Public Health Grant through the existing contracts to supplement the current provision
 - Approval is sought to review and update any existing substance misuse contracts, whilst modifications are made to allow for use of the Public Health Grant through existing contracts, to ensure that specifications and performance indicators are still fit for purpose and to revise funding envelopes in line with any uplifts (in line with National Insurance changes and inflation) or any change in delivery models. Final sign off of any modifications to be delegated to the Director of Public Health, in consultation with the Cabinet Member or Adult Social Care, Health and Wellbeing and Director of Legal Services
 4. Award contracts or grant agreements – as per the most appropriate process to providers to deliver outcomes against the Public Health Grant conditions which best meet the needs of our residents, as set out in the planning documentation submitted to OHID.
 - Final funding and approval of proposals will be shared with OHID
 - It is proposed that delegated authority is given to the Director of Public Health, in consultation with the Cabinet Member or Adult Social Care, Health and

Wellbeing and Director of Legal Services, to allocate the funding and award the necessary contracts and grant agreements, via the most appropriate procurement route, to ensure the allocations are compliant with the grant conditions.

3 Options/Alternatives

Option A: Accept the Public Health Funding allocations for drug and Alcohol prevention, treatment and recovery and delegate authority to the Director of Public Health, in consultation with the Cabinet Member for Adult Social Care, Health and Wellbeing and the Borough Solicitor or their nominee, to enact all decisions regarding allocation of the funding, as outlined in the report. Further, delegate authority to the Borough Solicitor or their nominee to carry out all legal formalities linked to the enactment of decision regarding the spend of the Public Health Grant.

This is the recommended option because it will ensure that we can continue to improve prevention and early intervention around drugs and alcohol, improve access to treatment and recovery services and improve quality of provision to ensure that Oldham residents receive the best possible support to tackle drug and alcohol related harm, which will in turn improve health outcomes and reduce the number of drug and alcohol related deaths.

Delegated authority to the Director of Public Health, in consultation with the Cabinet Member or Adult Social Care, Health and Wellbeing and the Borough Solicitor or their nominee will ensure that any contractual arrangements in relation to the use of the Public Health Grant can be expedited to ensure that funding is available as soon as possible and impact can be made to improve the health and wellbeing of local residents.

Option B: Do not accept the Public Health Funding allocations for drug and Alcohol prevention, treatment and recovery:

This is not recommended, as investment of grant funding in our current drug and alcohol treatment and recovery offer to date has made a difference in terms of increasing numbers in treatment but more needs to be done to improve quality of treatment provision, and to improve the prevention and recovery offer locally.

Not accepting the allocations in the Public Health Grant will greatly reduce the capacity and effectiveness of Oldham's treatment and recovery provision meaning that fewer residents will be able to access the services and would risk worsening health outcomes and further increasing drug and alcohol related mortality rates in the borough.

It would also mean that staff from services (between 35 – 40 posts), many of whom are Oldham residents, may be made redundant. This will mean a significant increase in caseload sizes in treatment services, reduction in capacity to support increased numbers of residents in treatment and decreased level of support able to be offered across the wider partnership.

We also risk destabilising collaborative commissioning arrangements, inadvertently creating an inequitable offer where residents of Oldham are not able to receive the same level of service as those from other localities accessing the same provision, and reputational risks for not investing in tackling drug and alcohol related harm when additional funding is available and Oldham has poor outcomes, compared to regional and England averages.

4 Preferred Option

- 4.1 Option A is the recommended option as this will ensure that we are investing all available funding in the borough to address drug and alcohol related harms by improving capacity

and quality of provision and delegating authority will ensure that the funding can be used quickly and effectively, to ensure maximum impact, whilst meeting the associated grant conditions and reporting requirements.

5. Consultation

5.1 This report was submitted and reviewed at Adult Social Care & Health Scrutiny Board on 27th January 2026. Members noted the report and endorsed option A in the recommendations.

5.2 Financial Implications

This report seeks approval to accept the 2026/27 Drug and Alcohol Treatment and Recovery Grant (DATRIG) and the Individual Placement and Support (IPS) Grant. It acknowledges the confirmed 12-month funding period for both grants, along with indicative allocations for future years, and proposes that these funds be allocated to Public Health in line with the respective grant conditions.

The report further recommends delegating authority to the Director of Public Health, in consultation with the Cabinet Member for Adult Social Care, Health and Wellbeing, to make all decisions regarding the use of the Drug and Alcohol Treatment Improvement Grant. This includes working with the Borough Solicitor and Director of Finance to vary existing contracts, issue grant agreements, or award contracts as required.

Additionally, authority is delegated to the Borough Solicitor to complete all legal formalities associated with these actions, including the execution of contracts.

Oldham's allocation for the 2026/27 Drug and Alcohol Treatment and Recovery Improvement Grant totals £1,681,623. This funding is divided into two primary streams: Supplementary Substance Misuse Treatment and Recovery (SSMTR) at £971,527 and Rough Sleeping Drug and Alcohol Treatment (RSDAT) at £710,096.

In addition, Oldham will receive £228,726 for the Individual Placement and Support programme, which is delivered jointly with Rochdale.

From 2026/27, the government will simplify several existing public health funding streams by merging DATRIG, IPS, and Stop Smoking supplementary funding into a single Section 31 grant for all Greater Manchester councils. This change is intended to streamline administration and create a more cohesive funding approach across the region.

The new Section 31 grant will operate alongside the main Public Health Grant, which continues to be delivered through the business rate retention system. Despite this consolidation, all DATRIG funding will remain conditional on councils maintaining their current level of investment from the core Public Health Settlement, ensuring that no disinvestment occurs as a result of the new funding structure.

Please refer to the table in paragraph 2.2 for a full breakdown of the 2026/27 funding allocations and the indicative allocations for 2027/28 and 2028/29.

(Matthew Kearns – Finance Manager)

Legal Implications

The Council has the legal power to accept the Drug and Alcohol Treatment and Recovery Improvement Grant (DATRIG) and to delegate authority as proposed within this Report.

Any variation to existing contracts, award of new contracts or issue of grant agreements arising from the utilisation of this funding must be undertaken in accordance with the Council's Contract Procedure Rules and applicable procurement legislation. This report does not approve or pre-empt any specific procurement route, contract modification, supplier appointment or contractual commitment.

Responsibility for identifying, selecting and justifying the appropriate procurement route rests with the Service, supported by the Procurement function. This includes responsibility for determining whether proposed expenditure is properly classified as a grant or a contract, whether reliance can lawfully be placed on modification of existing contractual arrangements and whether any proposed changes fall within the scope, value, duration and risk parameters permitted under procurement law.

Where modifications to existing contracts are proposed, these must be supported by a clear and robust procurement justification addressing the nature and extent of the proposed changes, their cumulative value and duration, and the associated procurement risk. Legal and procurement advice will be obtained at the point specific proposals are brought forward for approval, prior to any contractual commitment being made.

The delegation framework set out in this report enables future decisions to be taken efficiently but does not displace the requirement for the Service and Procurement to ensure that all decisions taken under that delegation are lawful, compliant and appropriately justified.

Sukhdeep Kaur
Commercial and Procurement Solicitor
29.12.25

5.3 Procurement Implications

There are no concerns with accepting grant money into the council. Once grant money has been received by the council then it becomes council money, so how that is utilised is subject to the council's internal requirements such as the CPRs. If the money is awarded to providers as a grant, then there are no procurement implications, however Subsidy Control may need to be considered. A grant does not require the grantee to deliver any services or goods and therefore does not constitute a contract for services. If a contract is required then spend would need to be compliant with the CPRs. The business unit should seek support and guidance from CPU for any spend over £30k (inc VAT) that is not issued as a grant.

James England
Procurement Manager
02.01.25

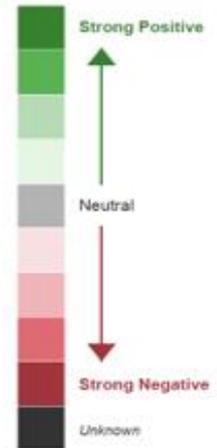
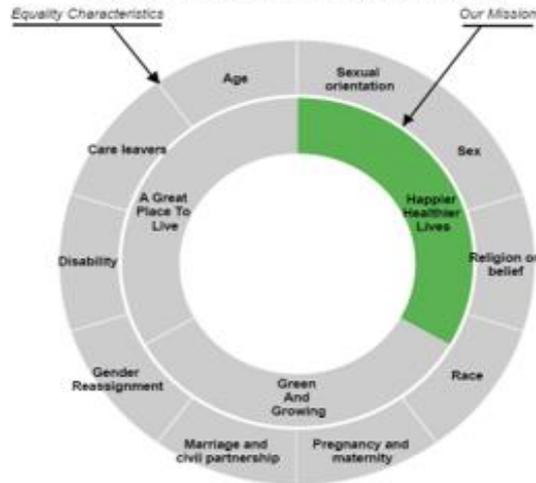
6 Equality Impact, including implications for Children and Young People

6.1 Yes

Drug & Alcohol Treatment and Recovery Improvement Grant (DATRIG)

completed/last updated by Rachel Dyson on 11/03/2025

Portfolio
Adults, Health and Wellbeing
Directorate
People
Service/Team
Public Health
Is this IA related to a Budget Reduction proposal?
<input type="checkbox"/> No



Key Decision

7.1 Yes

8 Key Decision Reference

8.1 HSC-17-25

Background Papers

9.1 None

10 Appendices

10.1 none