

Executive

22 November 2022

Report of the Director of Public Health
Portfolio Holder of the Executive Member for Adult Social Care and Public Health

Recommissioning of Alcohol & Drug Treatment and Recovery Services in York

Summary

1. The purpose of this report is to seek authorisation to approach the market for the tendering of an adult and young people's alcohol and illicit drug misuse service, delivering evidence-based harm reduction, treatment and recovery services to the population of York. In addition, approval is sought for the delegation of decision-making to award the contract to the Director of Public Health. In line with City of York Council's Contract Procedure Rules (agreed May 2022) the Council is obliged to procure these services through a competitive process.
2. These services play a key role in promoting recovery and reducing the harm caused by drug and alcohol misuse which are a significant cause of health inequalities in York. The proposal is to award a new long-term block contract, with review points. This will assist with provider stability in this specialist area of public health services, and align with the long term population health need for the group that may require the service.
3. The reviews and contract period will be determined following a process of market engagement. Specifically, reviews will provide an opportunity to ensure that performance related quality measures and delivery of key outcomes are being met; these will be separate to usual quarterly monitoring meetings. This is considered to be the option which will lead to the Council obtaining best value for money and will provide a stable and supportive environment for service users.
4. The current contract, which expires at the end of May 2024, has a value of over £1.8m every year. The value of the new contract is expected to

be broadly in line with the current value, reflecting what can be anticipated in the public health grant over the next years, which is unlikely to rise in line with inflation.

5. In addition to the contract, around £450,000 will come to York through the national Supplemental Substance Misuse Treatment and Recovery Grant (the subject of a previous Executive report, see background papers). This will mean the drugs and alcohol treatment and recovery offer in York will be enhanced. However, as this is a government grant currently entering year two of a three year grant cycle, it is considered out of scope of this contract.
6. During the last procurement and awarding of the contract, the provider was expected to reduce the value by £400,000 over the period of the contract due to the reduction in core public health grant between 2017 and 2021.
7. In recognition of the effect these reductions had on delivery of the service, Health, Housing and Adult Social Care Policy and Scrutiny Committee recommended in June 2018 that the Executive add a non recurrent £100,000 back into the service to ensure the contract and service delivery was viable.
8. The new provider will be required to deliver a range of activities, but the focus of the procurement is on delivering outcomes for residents, which is reflected in the current service's key performance indicators and expanded on further in this report.

Recommendations

9. Members are asked to:
 - a. Authorise officers within City of York Council to tender a new contract for the provision of alcohol and drug service.
 - b. Authorise the Director of Public Health in consultation with the Director of Governance to accept the bid for this contract which scores highest on the evaluation criteria, and to award and sign a contract.
10. *Reason: To enable substance misuse treatment and recovery services to be available to York residents that are value for money and responsive to local need.*
11. This proposal falls within key decisions due to the annual value of the contracts and as such will be presented to Executive for decision.

Background

12. City of York Council became responsible for commissioning substance misuse treatment services when responsibilities for public health functions were transferred to the Council in April 2013 and have commissioned the current service since 2017.
13. Substance misuse treatment services are funded by the Department of Health local authority ring-fenced Public Health Grant Allocation. The Department of Health sets out a number of conditions for use of the public health grant and in 2015/16 attached a new condition which states that “a local authority must, in using the grant, have regard to the need to improve the take up of, and outcomes from its drug and alcohol misuse treatment services”. Local authorities are required to submit performance monitoring reports on drug and alcohol misuse treatment outcomes as part of the Public Health Outcomes Framework.
14. York has a lower prevalence of drug misuse than many other parts of the country, but substance misuse remains a cause of considerable harm to the health and wellbeing of York residents and an important cause of health inequalities. With deaths (8.3 per 100,000) from drug misuse higher than the national and regional rates.
15. York has a higher prevalence of admission episodes for alcohol-specific conditions (683 per 100,000) compared to regional and national figures.
16. It is estimated that there are 810 opiate users living in York. The estimated rate of opiate users per thousand of adult population is lower in York (4.4) compared national (7.3) rates. There are an estimated 21.4% of adults in York who drink alcohol at increasing risk or higher risk levels. Along with a local estimate of 2,458 requiring support and treatment, this equates to 84% not accessing services.
17. There were 46 young people aged under 18 in treatment in York (2020/21). As these figures relate to the period of time that many young people were accessing school online, it is estimated that this will increase as the usual routes of referral is through education.
18. The impacts of substance misuse are felt across the population and the evidence base shows that investment in drug and alcohol services results in a strong and substantial return on investment.
19. York invests in a range of open access and specialist services that enable people to access treatment and work towards recovery. Our priorities for the drug and alcohol treatment system are to improve

recovery outcomes and ensure the treatment pathway meets the changing needs of the population of drug and alcohol users. The following table shows just a small summary of some of the outcomes seen through the drug and alcohol service in York

Number of adult clients supported to recovery who did not come back into treatment within in 6 months (Apr 2017 – June 2022)	400 (Opiates)	Around 4-5% of opiate clients complete and do not represent every quarter
	903 (Non-Opiates)	Around 25-30% of non-opiate clients complete and do not represent every quarter
	1,679 (Alcohol)	Around 25-30% of alcohol clients complete and do not represent every quarter
Referrals from prison (2022/23)	123	
Number of CYP clients supported to recovery who did not come back in to treatment within in 6 months (since 2017)	547 (17 and under)	Around 20-30% clients 17 and under complete and do not represent every quarter
	390 (18-25)	Around 30-40% clients 18-25 complete and do not represent every quarter
Attendees at YP group work sessions	3,169	
Naloxone packs distributed to professionals (2022/23) (<i>a life-saving medication to prevent overdose-related harm</i>)	96	
Number of Needle Exchange transactions within Pharmacies (<i>prevention of HIV, Hep B/C</i>)	27,300 (pharmacies) 791 (Blossom St)	

Substance misuse services for young people

20. Under the current commissioning arrangements, young people's substance misuse services are part of adult treatment services. The scope of need and the response that is required from our approaches to risky behaviours brings a different perspective to working in this field. The current a wider approach to early intervention and building resilience to make safe choices around behaviour is considered a more favourable approach to reducing the long-term likelihood of problematic behaviours.
21. The new contract will be for a provider to ensure that there is a strong prevention model to the young people's service along with providing a treatment service.

Proposed Procurement Strategy

22. The proposal is to use a fair, open and transparent engagement process with this market of suitable providers, providers and key stakeholders to support the development of a new service specification.
23. It was the aim of the last re-commissioning that by the end of the contract term a bespoke model would form the basis of the next competitive tender in due course. This model has been developed and will be used to form a basis for the service specification.
24. A revised service specification will be developed after consultation with the current service provider, other partners, stakeholders and engagement with service users.
25. Evaluation criteria will also be developed to ensure a balance of quality service provision and value-for-money is reflected in the successful bid. Both legal and procurement teams in CYC have advised throughout the development of this proposal to ensure the process is undertaken within the appropriate legal frameworks.
26. Subject to approval of this paper, award of the contract will be delegated to the Director of Public Health, in conjunction with the Executive Member for Adults and Public Health.

Consultation

27. Work has been undertaken with a range of partners, listening to our criminal justice partners and clinical experts we continue to build on partnership working that was established over the time of the previous contract.
28. The newly established York Drugs and Alcohol Partnership Board has been informed of the re-procurement of the service and will be informed at key stages.
29. Service recipients and their families will be given opportunities to formally engage with the commissioning lead.
30. Previous service recipients will be consulted, there is a plan to undertake a series of forum events before the contract is awarded.
31. Clinical practitioners have been engaged through existing channels and meetings.
32. Future consultation work is planned, including with staff and elected members working in community and neighbourhoods, and a specific role has been identified to consult directly with service recipients in an appropriate framework to give the patients group a voice in the procurement process.

Options

33. Members are advised there is only 1 available option at this stage
34. Option 1: Approach the market to re-procure substance misuse services through competitive tender.
35. *Reason: To enable substance misuse treatment services to continue to be provided to York residents to meet the statutory requirement outlined in the Public Health Grant terms.*

Analysis

36. *Advantages*
Approaching the market will ensure access better comparison of cost and quality across providers, ensure a fair process and enabling best quality value.

37. *Disadvantages*

If we fail to approach the market at this stage, there is a risk that a new contract is not in place in time for when the current contract ends.

Council Plan

38. This proposal and re-commissioning of the York drugs and alcohol treatment and recovery service relates to the Council's Plan in many aspects and supports that 'Every resident enjoys the best possible health and wellbeing throughout their life'. Ensuring the commitment to continue to support substance misuse services to improve public health and support some of the most vulnerable in our society is met.

Implications

39. The implications are outlined below.

- **Financial:**

The annual contract value that we will be tendering for is approximately £1.8m and this is the value assumed in Public Health's balanced Five year financial plan. Any future contractual increases will be tied to the annual percentage increase in the Public Health Grant. Public Health are managing this and their other commitments within the core grant envelope and some smaller funding sources without recourse to base Council budget.

The current contract has been varied to include an element funded from the Office of the Police, Fire and Crime Commissioner (OPFCC). £181k of funding has been secured until 30th June 2024. The tender will be adjusted should this funding not be secured beyond this date so the financial burden does not fall to the Council.

The contract is likely to be a minimum of five years to secure interest and value for money from the market. There will be appropriate clauses/breakpoints which allow assessment of whether the contract is still delivering value for money during the contract period.

- **Human Resources (HR)**– There are no HR implications
- **Equalities** – *Equalities Impact assessment to be completed*

- **Legal:** As stated a legal representative from the commercial team has been involved in the working group considering this re-procurement and is advising the group along with commercial procurement officers. Any route to the market will be compliant with legislation and our own contract procedural rules. There are some properties related legal issues regarding the premises to be used by the service provider in the future if the contractor changes from the incumbent, but work is underway to try to ensure there is continuity in this aspect. There may well be employee transfer issues between service providers if they change (under TUPE) but the contract will make provision for protection where the legislation permits.
- **Crime and Disorder** - There are no crime and disorder implications.
- **Information Technology (IT)** - No IT implications
- **Property** – No property implications
- **Other** – There are no property implications.

Risk Management

40. The Office of the Police, Fire and Crime Commissioner (OPFCC) has committed to financially supporting an appropriate delivery of substance misuse treatment to clients presenting through the criminal justice system. This funding is in addition to the investment from the Public Health Grant and is reviewed annually. Current discussions are taking place to confirm contributions for the next contract.
41. The new provider will be expected to use every opportunity at their disposal to bring additional investment and capacity into substance misuse services using alternative sources of funding. A track record of securing investment will be one of the criteria in the tendering process.

Recommendations

42. Members are asked to:
 - a. Authorise officers within City of York Council to tender a new contract for the provision of alcohol and drug service.

b. Authorise the Director of Public Health in consultation with the Director of Governance to accept the most economically advantageous bid, in accordance with evaluation criteria and to award and sign a contract.

43. *Reason: To enable substance misuse treatment and recovery services to be available to York residents that are value for money and responsive to local need.*

Contact Details

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Report Approved **Date** 17/10/2022

Wards Affected:

All

For further information please contact the author of the report

Background Papers

Executive August 2016

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=733&MId=9304&Ver=4>

HAS Scrutiny June 2018

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=671&MId=10541>

Decision Session – Executive Member for Adult Social Care and Public Health July 2022

<https://democracy.york.gov.uk/ieListDocuments.aspx?CId=740&MId=13559>