

**Commissioning and Procurement Executive Committee – 13 September
2022**

Subject:	Rough Sleeping Drug and Alcohol Treatment Grant 2022/23 and 2023/24		
Corporate Director/ Director:	Catherine Underwood, Corporate Director, People Lucy Hubber, Director of Public Health		
Portfolio Holder:	Cllr Linda Woodings, Portfolio Holder for Adults and Health		
Report author and contact details:	Tammy Coles, Public Health Principal – tammy.coles@nottinghamcity.gov.uk Nancy Cordy, Senior Public Health Manager – Nancy.cordy@nottinghamcity.gov.uk		
Other colleagues who have provided input:	Helen Johnston, Consultant in Public Health		
Key Decision	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Subject to call-in
			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Reasons:	<input checked="" type="checkbox"/> Expenditure	<input checked="" type="checkbox"/> Income	<input type="checkbox"/> Savings of £750,000 or more
taking account of the overall impact of the decision			<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital
Significant impact on communities living or working in two or more wards in the City			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Type of expenditure:	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital		
If Capital, provide the date considered by Capital Board Date:			
Total value of the decision:	£1,283,042		
Wards affected:	ALL		
Date of consultation with Portfolio Holder:			
Relevant Council Plan Key Outcome:			
Clean and Connected Communities	<input type="checkbox"/>		
Keeping Nottingham Working	<input type="checkbox"/>		
Carbon Neutral by 2028	<input type="checkbox"/>		
Safer Nottingham	<input checked="" type="checkbox"/>		
Child-Friendly Nottingham	<input type="checkbox"/>		
Healthy and Inclusive	<input checked="" type="checkbox"/>		
Keeping Nottingham Moving	<input type="checkbox"/>		
Improve the City Centre	<input type="checkbox"/>		
Better Housing	<input type="checkbox"/>		
Financial Stability	<input type="checkbox"/>		
Serving People Well	<input type="checkbox"/>		
Summary of issues (including benefits to citizens/service users):			
<p>This report seeks approval to accept and use funding awarded to Nottingham City Council following a successful bid for funding from the Office of Health Improvement and Disparities under the Rough Sleeping Drug and Alcohol Treatment Grant scheme.</p> <p>The approval of the recommendations within this report will allow for the ongoing delivery of a range of additional activity designed to help improve engagement in and outcomes from drug and alcohol treatment services for people sleeping rough (and those who are at risk of sleeping rough).</p>			
Exempt information:	None		
Recommendations:			
1	To approve receipt of funding up to a total of an additional £1,284,042 from the Office for Health Improvement and Disparities (OHID) for the delivery of a range of additional drug and		

	alcohol treatment activity for people sleeping rough (and those at risk) to 31 March 2024.
2	To approve the spend of £71,221 to increase substance misuse commissioning staffing resource in line with grant conditions.
3	To approve the spend of £546,725 from 1 July 2022 to 30 June 2023 via contract variation to the Nottingham Recovery Network contract for the provision of Substance Misuse Treatment services in accordance with Article 18.99 of the Contract Procedure Rules.
4	To approve the spend of £665,096 from 1 July 2023 to 31 March 2024 within the newly commissioned substance misuse services (for which the approval to develop a model has been delegated to the Director of Public Health under a previous key decision)(CPEC – 12 July 2022).

1. Reasons for recommendations

- 1.1 This paper requests approval to receive the revised allocation of the ringfenced Rough Sleeper Drug and Alcohol Grant for Nottingham City. This was first awarded in Autumn 2021, with funding allocated until March 2023. OHID have subsequently confirmed a revised (and increased) allocation within 22/23 and a further allocation for 23/24, hence approval to receive additional grant funding.
- 1.2 The Office of Health Improvement and Disparities (and previously PHE) have approved a proposal for the use of this funding, which includes a contribution towards the public health and commissioning workforce. Recommendation 2 refers to the use of this towards a post within the public health team at Nottingham City Council.
- 1.3 The existing substance misuse treatment and recovery services who provide this grant funded activity have contracts through to 30 June 2023, and a contract variation is proposed to continue this activity (recommendation 3). Approval to vary the main contract for the existing drug and alcohol treatment system in Nottingham has been sought in order to ensure that the new measures are fully integrated into the main treatment options in order to serve as effective interventions. The delivery of this activity will also build on the infrastructure provided through the existing service, avoiding costs incurred through duplication of this activity in order to secure value for money. The existing service is contract managed and has been assessed as performing well. The variation of existing contracts will also allow for the immediate mobilisation of the programme in order to maximise the use of funds awarded by PHE.
- 1.4 The council is recommissioning substance misuse services in Nottingham (approval given at July CPEC) and this additional grant funded activity will need to be aligned with the awarded future providers. As such the allocation from July 23 to March 24 will be part of the cost envelope of these services (recommendation 4).

2. Background (including outcomes of consultation)

- 2.1 In May 2021 Nottingham City Council was invited to apply for funding through the Rough Sleeping Drug and Alcohol Treatment Grant for services to be

delivered in 2021/22 and 2022/23. The purpose of the funding was identified as to;

- support people experiencing, or at risk of experiencing rough sleeping to access and engage in drug and alcohol treatment;
- ensure that the engagement that people have had with drug and alcohol treatment services whilst rough sleeping or in emergency accommodation is maintained as they move into longer terms accommodation;
- build resilience and capacity in local drug and alcohol treatment systems to continue to meet the needs of this population in future years.

- 2.2 Nottingham City Council's application to the Rough Sleeping Grant was approved by Public Health England in October 2021, and the receipt and spend of this allocation (total value of £1,016,044 to 31 March 2023) was approved by Commissioning and Procurement Executive Committee in December 2021.
- 2.3 Following this, a contract variation to the Nottingham Recovery Network for the provision of Substance Misuse Treatment services was issued. The programme has commenced and is live and operational.
- 2.4 In April 2022 it was confirmed that RSDATG would be extended until, end of March 2025 (subject to treasury approval). At this time Nottingham City Council were invited to undertake a review of the current RSDATG staffing model and associated project costs, and submit a revised proposal for a period of 21 months (1 July 22 – 31 March 24).
- 2.5 In July 2022 Nottingham City Council received notification of its funding allocation for RSDATG for 2022/23 and 2023/24 as follows;

22/23 allocation	£980,356
23/24 allocation	£948,674

The 22/23 allocation includes funding previously awarded and covered by spend approval for up to £1,016,044 (CPEC – 14 December 2021) as follows;

	2021/22	2022/23	2023/24	TOTAL
Existing spend approval (14 Dec 21)	£370,056	£645,988	£0	£1,016,044
Additional spend approval requested	£0	£334,368	£948,674	£1,283,042
TOTAL	£370,056	£980,356	£948,674	£2,299,086

3. Other options considered in making recommendations

- 3.1 Not to take receipt of the funding awarded by OHID through the Rough Sleeping Drug and Alcohol Grant. This option is not recommended on the basis that to not take receipt of the funding will lose the opportunity to assist more people to recover from drug and alcohol use and to move towards settled accommodation.

- 3.2 To procure activity for delivery from 1 July 2022 to 31 March 2023 through a competitive tender. This option is not recommended on the basis that activity to be funded is to be integrated within existing provision in order to improve outcomes for rough sleepers. The existing service has been assessed as performing well, and delivery of the additional activity funded through the RSDATG under the infrastructure of the existing service will offer value for money by avoiding duplication of these arrangements (e.g. management). The variation of existing contracts will also allow for the immediate mobilisation of the programme in order to maximise the use of funds awarded by OHID.
- 3.3 This activity will be integral to the newly commissioned substance misuse services which will go live in July 2023 (for which the approval to develop a model has been delegated to DPH under a previous key decision)(CPEC – 12 July 2022), and as such will be awarded via competitive tender.

4. **Consideration of Risk**

- 4.1 This ringfenced grant from OHID has been subject to changes in value and allocations. This paper refers to the approval of receipt of funding to 31 March 2024, however OHID have indicated the intention for this grant to continue to March 2025. If the funding does not continue beyond March 2024, there will need to be consideration of what activity can be maintained within core substance misuse services. Further, the information about allocation for 2024/25 may not be available at the point of tendering for new substance misuse services, and a forecast may need to be applied for the maximum value of those contracts.
- 4.2 Not accepting or utilising funds awarded under the Rough Sleeping Drug and Alcohol Treatment Grant carries the associated risks of failing to intervene to prevent significant harm and risk of death amongst people at risk. In addition, not using funding may fail to help manage demand for statutory functions (e.g. homelessness duties). Not mobilising the delivery (or delayed delivery) carries an associated risk of the loss of funding through the Rough Sleeping Drug and Alcohol Treatment Grant from OHID. This risk is to be managed through the proposed approach to the procurement of services and through clear requirements within contract terms

5. **Finance colleague comments (including implications and value for money/VAT)**

Observations of Finance Business Partner:

This report follows on from a previous report agreed on the 14th December 2021 at the Commissioning and Procurement Executive Committee.

Within this report it was agreed that funding of £0.645m could be spent on activities in 2022/23. Since then we have received confirmation below of additional grant funding of £0.334m in 2022/23 and £0.949m in 2023/24. Total value of new decision is £1.283m.

As outlined by the report author, this decision seeks approval for the receipt and spend of the additional funding from the Office of Health Improvement and Disparities (OHID) for the Rough Sleeping Drug and Alcohol Treatment

Grant 2022/23 and 2023/24, not covered in the previous report as outlined above.

The total value of this grant is:

Financial Years	Previous Agreed Grant	New Grant Income Requiring decision	TOTAL GRANT
2022/23	£645,988	£334,368	£980,356
2023/24	£0	£948,674	£948,674
Total Grant	£645,988	£1,283,042	£1,929,030

The total £1.929m grant funding will be received in line with the payment schedule which shows that £0.980m will be received in financial year 2022/23 and £0.948m received in 2023/24. Funding must be spent by the 31st March 2024 and the authority should manage receipt of this funding in line with the grant conditions and ensure all funding is claimed in a timely manner and accounted for correctly across the respective financial years. Any underspend may be subject to being paid back or carried forward where agreed.

Once any decision is approved, a budget virement will be posted to realign the grant income and expenditure budgets, supporting budget managers to robustly monitor the budgets.

The actual costs associated with this decision will require regular monitoring to form an audit trail against this grant funding and support robust forecasting. Any decisions taken will need to be robustly captured against this decision value to ensure it is not exceeded ensuring no financial pressure arises from this decision. This information will also be used for internal/external reporting purposes as required.

The additional Grant requiring approval for receipt and expenditure via this decision is £1.283m covering both 2022/23 & 2023/24 and this is broken down in the table below.

22-23 Existing Contract approval	£645,988
TOTAL Approved by Previous Decision	£645,988
22-23 New Contract Spend	£313,561
22-23 New NCC Staffing	£20,807
TOTAL New 2022/23 Grant Expenditure	£334,368
23/24 New Contract Spend	£898,259
23/24 New NCC Staffing	£50,416
TOTAL New 2023/24 Grant Expenditure	£948,674
TOTAL GRANT EXPENDITURE	£1,929,030
Total Grant requiring approval in this Decision	£1,283,042

Due to the change in grant value in 2022/23 a contract variation is being drafted by the service to ensure service sustainability and a procurement exercise will be undertaken for 2023/24 ensuring value for money is sought and the right outcomes are being delivered to citizens. The contracts team will need to ensure the contracts are robustly monitored, ensuring that the performance is as required and value for money is being delivered.

Part of the grant funding (£0.050m) will be used to recruit to a staffing position. This position and grade has yet to be decided but will require a further staffing DDM to establish the post within the team. Any additional

staffing costs, (advertising or exit costs) that are incurred as a result of this decision will need to be mitigated by the Public Health grant and further approval sought where required in line with Council processes.

Any changes not outlined within this decision will require further approval.

Advice provided by: Tracey Moore, Commercial Business Partner on 31st August 2022

6. Legal colleague comments

The proposals in this report seek to approve the receipt and use of additional funding under the Office for Health Improvement and Disparities' Rough Sleeping Drug and Alcohol Treatment Grant scheme for drug and alcohol treatment costs in 2022-23 and 2023-24.

The Council must ensure it complies with all grant conditions imposed upon it by Government for receipt of the money and that it should pass down any conditions in appropriate contractual arrangements such as monitoring and reporting requirements as applicable.

It is understood from the report that part of the funding will be used to deliver the services by way of a variation of the existing contract for the provision of Substance Misuse Treatment services ensuring continued service delivery and integration without any delay and is deemed to offer value for money to the Council. This proposed variation is considered to a permissible modification in accordance with Article 18.99 of the Council's Contract Procedure Rules.

Approval to procure services using the remainder of the monies was previously provided by this Committee in July 2022. Spend in such a way will ensure compliant service delivery in accordance with the Council's Contract Procedure Rules and UK Procurement Regulations.

Legal colleagues will work with procurement colleagues as required to support the appropriate contract variations and procurement processes in line with the recommendations in this report.

Advice provided by Dionne Screaton, Senior Solicitor, Contracts and Commercial 30th August 2022.

7. Other relevant comments

7.1 Procurement colleague comments

This decision relates to the receipt and use of funding under the Office for Health Improvement and Disparities' (OHID) Rough Sleeping Drug and Alcohol Treatment Grant (RSDATG) scheme for drug and alcohol treatment costs in 2022-23 and 2023-24. It is proposed to allocate a portion of this funding for the delivery of services through a variation of the existing contract for the provision of Substance Misuse Treatment services. This will enable integration with the existing provision to improve service outcomes and maximise value for money; it will also enable immediate mobilisation and maximise use of the grant funding. This is considered a permissible

modification to the existing contract in accordance with Article 18.99 of the Council's Contract Procedure Rules.

A further portion of this funding is proposed to be allocated between July 2023 and March 2024 on newly commissioned substance misuse services following a planned commissioning and procurement process for which approval has previously been secured. This will ensure the compliance of contract awards with the UK Procurement Regulations and Council's Contract Procedure Rules.

The proposed contract variation and contract awards for new commissioned services should contain provisions to ensure that the OHID grant conditions for this funding are fully complied with.

Advice provided by Jo Pettifor (Procurement Team Manager) on 16/08/2022.

8. **Crime and Disorder Implications**

8.1 The approval of the recommendations and delivery of activity funded through the Rough Sleeping Drug and Alcohol Treatment Grant is expected to have a positive impact on crime and disorder within the City.

9. **Social value considerations (If Applicable)**

9.1 The approval of the recommendations and delivery of the activity funded through the Rough Sleeping Drug and Alcohol Treatment Grant is expected to achieve significant social value through the delivery of assistance intended to improve circumstances and outcomes for vulnerable people.

10. **Regard to the NHS Constitution (If Applicable)**

10.1 The proposals submitted to OHID for the Rough Sleeping Drug and Alcohol Treatment Grant were prepared in consultation with NHS Nottingham and Nottinghamshire Clinical Commissioning Group.

11. **Equality Impact Assessment (EIA)**

11.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because: Equalities considerations have been taken into account as part of the gap analysis in the preparation of proposals submitted to OHID for funding through the Rough Sleeping Drug and Alcohol Treatment Grant.

12. **Data Protection Impact Assessment (DPIA)**

12.1 Has the data protection impact of the proposals in this report been assessed?

No



A DPIA is not required because the decision is not expected to impact or change the way data is managed within the existing drug and alcohol treatment system.

13. Carbon Impact Assessment (CIA)

13.1 Has the carbon impact of the proposals in this report been assessed?

No



A CIA is not required because there are no significant changes that will impact on the minimal carbon production from delivery.

14. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

14.1 None

15. Published documents referred to in this report

15.1 Rough Sleeping Drug and Alcohol Treatment Grant 2021/22 and 2022/23 – Commissioning and Procurement Executive Committee – 14 December 2021

Commissioning of substance misuse treatment and recovery services for Nottingham – Commissioning and Procurement Executive Committee – 12 July 2022