

## Commissioning and Procurement Executive Committee – 14 November 2023

<b>Subject:</b>	Community Prevention, Support and Treatment Services for Young People and Young Adults		
<b>Corporate Director:</b> <b>Director:</b>	Catherine Underwood - People Lucy Hubber - Public Health		
<b>Portfolio Holder:</b>	Councillor Linda Woodings – Adults and Health		
<b>Report author and contact details:</b>	Tammy Coles, Public Health Principal <a href="mailto:tammy.coles@nottinghamcity.gov.uk">tammy.coles@nottinghamcity.gov.uk</a>		
<b>Other colleagues who have provided input:</b>	Tracey Moore, Commercial Business Partner Amana Parveen, Solicitor Jo Pettifor, Category Manager, People Helen Johnston, Consultant in Public Health Nancy Cordy, Head of Strategy and Service Improvement		
<b>Key Decision</b>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<b>Subject to call-in</b>
			<input checked="" type="checkbox"/> Yes
			<input type="checkbox"/> No
<b>Reasons:</b>	<input checked="" type="checkbox"/> Expenditure	<input 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
<b>Type of expenditure:</b>	<input checked="" type="checkbox"/> Revenue	<input type="checkbox"/> Capital	
<b>Total value of the decision:</b> £3,055,043			
<b>Wards affected:</b> All			
<b>Date of consultation with Portfolio Holder:</b> 25 October 2023			
<b>Relevant Council Plan Key Outcome:</b>			
Green, 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 checked="" type="checkbox"/>		
Living Well in our Communities	<input type="checkbox"/>		
Keeping Nottingham Moving	<input type="checkbox"/>		
Improve the City Centre	<input type="checkbox"/>		
Better Housing	<input type="checkbox"/>		
Serving People Well	<input type="checkbox"/>		
<b>Summary of issues (including benefits to citizens/service users):</b>			
<p>During the recently completed commissioning review for new substance use services it was identified that the young people and young adults’ provision, including preventative interventions as well as treatment and support, was comparatively underfunded relative to the adults treatment and recovery service. An operational decision was taken to spend an additional £245,000 ring-fenced public health grant in 2023/24, and this was subsequently included within the contract value for this financial year (six months impact only).</p> <p>Approval is now requested for the spend up to £3,055,043 of additional Public Health Grant money within the commissioned Young People Young Adults Service from 1 April 2024 to 31 September 2032 to enable the continuation of this current level of investment and the enhancements to capacity and quality this has enabled. This additional resource has been identified from within the existing alcohol and drugs budget allocation, and the spend is consistent with Best Value principles including benchmarking with other core cities.</p>			

**Exempt information:** None

**Recommendation:**

**1** To approve the spend of up to £3,055,043 of ring-fenced Public Health Grant between 1 April 2024 to 31 March 2032 within the commissioned Community Prevention, Support and Treatment Service for Young People and Young Adults who use Alcohol and Drugs.

**1. Reasons for recommendations**

- 1.1 Substance use treatment and recovery services are funded primarily through the ring-fenced Public Health Grant, as required by grant conditions. Nottingham City Council is also in receipt of funding from the Office of the Police and Crime Commissioner as a funding partner and receipt of additional national Grants. This decision relates to ring-fenced Public Health Grant spend only.
- 1.2 All of the funding for substance use services commissioned by Nottingham City Council sits either under ring-fenced grant conditions (Public Health Grant, SSMTRG) or partnership agreements, for which the Director of Public Health is accountable, and the resource must be stewarded in line with these conditions.
- 1.3 Nottingham has a young age-structure, with just under 30% of the population aged 18 to 29, with Full-time university students comprising about 1 in 7 of the population. The updated Substance Misuse (illicit drugs and alcohol) (2022) joint strategic needs assessment for Nottingham reported drug use is highest among 16-19 and 20-24-year-olds but these age groups account for only 8% of people in structured treatment in Nottingham, identifying a potential gap within service provision for this age group. The recently commissioned young people young adults service has a refreshed focus on meeting the needs of young adults aged 18-25 years

**2. Background**

- 2.1 Local authorities, must, under the conditions of the Public Health Grant: 'have regard to the need to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services, based on an assessment of local need and a plan which has been developed with local health and criminal justice partners'. The ring-fenced Public Health Grant for Local Authorities is allocated by the Department of Health and Social Care on an annual basis.
- 2.2 The national 'From Harm to Hope' 10 Year Drugs plan was published by the government in autumn 2021, building forward from the Dame Carol Black Review. The plan sets out an emphasis on breaking drug supply chains, developing a world-class treatment and recovery system, and reducing the demand for recreational drugs including bringing about a generational shift in the use of drugs across society.
- 2.3 A commissioning review for new substance use services was undertaken which identified that the young people and young adults' provision which includes preventative interventions as well as treatment and support was comparatively underfunded relative to the adult's treatment and recovery service.
- 2.4 Approval to undertake a procurement process and approval of the spend of ring-fenced Public Health Grant, ring-fenced substance use grants, and partner funding up to a total value of £62,498,502 on substance use services for Nottingham for up to 9 years (5+2+2), was given by CPEC on 12 July 2022. Spend was allocated across

three lots, including a lot to deliver a Community Prevention, Support and Treatment Service for Young People and Young Adults (CPU5320). The tender process concluded in June 2023, with contracts awarded to the successful bidders, with a 1 October 2023 commencement date.

- 2.5 The updated Substance Misuse (illicit drugs and alcohol) (2022) needs assessment for Nottingham reported drug use is highest among 16-19 and 20-24-year-olds but these age groups account for only 8% of people in structured treatment in Nottingham, identifying a potential gap within service provision for this age group. The new service has a refreshed focus on meeting the needs of young adults aged 18-25 years.
- 2.6 Due to the complexity of the number of Grants in relation to the Substance Use Budget and on Nottingham City Council legal and procurement advice, tenders for these services included a financial narrative to explain the likelihood of potential future funding to be added to the contracts. This ensured any potential bidders were aware of any potential future funding and anticipated values and provided for additional funding to be added compliantly
- 2.7 During the commissioning review for new services, it was identified that the young people and young adults' provision which including preventative interventions as well as treatment and support was comparatively underfunded relative to the adult's treatment and recovery service. In response an Operational Decision was made on 29 November 2022 for additional spend of £245,000 to be included in the contract value for 2023/24 (6 months only due to 1 October 2023 start date).
- 2.8 This decision seeks approval to spend up to £3,055,043 of additional ring-fenced Public Health Grant money within the commissioned Young People Young Adults Service, in order to sustain the current level of investment for the remaining lifetime of the contract (up to 8.5 years), which will enable the continuation of improvements to both capacity and quality. This additional resource has been identified from within the existing alcohol and drugs budget allocation, and the spend is consistent with Best Value principles including benchmarking with other core cities.

### 3. **Other options considered in making recommendations**

- 3.1 The other option considered was to not increase the level of investment in the contract. This was rejected as this would not deliver the enhancements to capacity and quality of the service provided and not meet the identified unmet need within the 18-25 population.

### 4. **Consideration of Risk**

- 4.1 As outlined above the tender included a financial narrative to explain the likelihood of additional funding. The provider bid for the tender on this basis and submitted a bid which outlined what would be possible to deliver within the 'core' budget. Bidders were required to demonstrate an appreciation of the evolving funding picture and demonstrate their flexibility over the lifetime of the contract.
- 4.2 If not agreed the provider will be deliver against the 'core' contract only and this funding will not be added to their contract.

### 5. **Best Value Considerations**

- 5.1 Best value is demonstrated by:

- Economy: Commissioning review and review of substance use budget was undertaken prior to tender process. The previous contract was comparatively underfunded compared to adult treatment and recovery service;
- Effectiveness: The commissioning and subsequent tendering of substance use services has been developed in line with national best practice to determine the effective and efficient routes for investing in impactful services;
- Efficiency: The tender process included questions around staffing and cost breakdown to deliver against nationally set targets. For the first 6 months of the contract monthly implementation meetings will be held with the provider to monitor performance and spend against the budget

## 6. Finance colleague comments (including implications and value for money/VAT)

- 6.1 This report follows on from a previous Substance and Misuse Treatment and Recovery Services report agreed on the 12 July 2022 at the Commissioning and Procurement Committee.
- 6.2 For reasons outlined by the report author, this decision seeks approval to commission and award spend of £3,055,043 from the Public Health grant, towards a Young People Young Adults Service from 1st April 2024 to for 30 September 2032, 8 years and 6 months.
- 6.3 **Table 1:** Community Prevention, Support and Treatment Service for Young People and Young Adults who use Alcohol and Drugs budget allocation 2024/25 – 2032/33

2024/25	£333,200
2025/26	£339,864
2026/27	£346,661
2027/28	£353,595
2028/29	£360,666
2029/30	£367,880
2030/31	£375,237
2031/32	£382,742
2032/33 – 6 months only	£195,198
<b>Total</b>	<b>£3,055,043</b>

- 6.4 The maximum cost of this decision is **£3,055,043** and is incorporated within the Medium-Term Financial Plan. If the Public Health grant was to reduce in future years, the service would need to realign services within the revised available funding limit ensuring that no financial pressure arises.
- 6.5 Approval to undertake a procurement process of the spend of the Public Health Grant, was given by CPEC on 12 July 2022. The tender process concluded in June 2023, with contracts awarded to the successful bidders for a fixed price contract. Best Value was considered during this process.
- 6.6 There are no staffing implications within this decision.
- 6.7 The actual costs associated with this decision will require regular monitoring to form appropriate financial accounting and an audit trail to support robust forecasting. Any

decisions taken will need to be captured against this decision value to ensure it is not exceeded. This information will also be used for internal/external reporting purposes as required.

Tracey Moore, Commercial Business Partner - 24 October 2023

## **7. Legal colleague comments**

- 7.1 This report seeks further approval of the spend of up to £3,055,043 (5+2+2 against 8 years and 6 months budget) of additional Public Health Grant money within the commissioned Young People Young Adults Service. This proposal raises no significant legal concerns. The Council must ensure compliance with the grant funding conditions. The proposed addition to the contract is permissible under Regulation 72(1)(a) of the Public Contracts Regulations 2015 and in accordance with Article 18.110 of the Contract Procedure Rules.

Amana Parveen, Solicitor - 18 October 2023.

## **8. Other relevant comments**

### **Procurement colleague comments**

- 8.1 This report seeks approval for the expenditure of new Public Health Grant funding on additional substance use services for young people and young adults, through an expansion of the previously commissioned contract.
- 8.2 The current contract for these services was awarded through a competitive tender process, which secured the best value for money offer. The tender included clear provisions for the potential addition of funding for additional activities, should further grant funding become available during the life of the contract. Therefore, the proposed addition to contract is permissible under Regulation 72 of the Public Contracts Regulations 2015 and in accordance with Article 18.110 of the Council's Contract Procedure Rules. The proposal is considered the appropriate route to commission the additional services required and is supported from a procurement perspective.

Jo Pettifor, Category Manager, People - 16 October 2023

## **9. Crime and Disorder Implications (If Applicable)**

- 9.1 Drugs and alcohol are a major driver of crime and disorder. Ensuring sufficient accessible treatment and recovery services for substance use is a fundamental aspect of addressing this nationally and locally

## **10. Social value considerations (If Applicable)**

- 10.1 High quality substance use services add social value through improving the outcomes for people affected by substance use and their wider families and communities. The Procurement Strategy objectives for promoting social value and maximising economic, social and environmental benefits were applied during the tender process. The provider will, as outlined in their successful tender bid will be: Offering volunteering opportunities to the local community, young people and young adults; Promoting job opportunities to local residents and Taking all reasonable steps to minimise any adverse impacts the service may have on the environment

## 11. **Regard to the NHS Constitution (If Applicable)**

11.1 Nottingham and Nottinghamshire Integrated Care System are key partners in the Substance Use Strategic Partnership, the multiagency partnership developed in response to the requirements in From Harm to Hope the 10 Year Drugs plan.

## 12. **Equality Impact Assessment (EIA)**

12.1 An EIA has been completed on the approved commissioning model and due regard will be given to any implications identified in it

## 13. **Data Protection Impact Assessment (DPIA)**

13.1 A DPIA has been completed on the approved commissioning model and due regard will be given to any implications identified within it

## 14. **Carbon Impact Assessment (CIA)**

14.1 A CIA will be completed on the approved commissioning model and due regard will be given to any implications identified within it.

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

15.1 None.

## 16. **Published documents referred to in this report**

- Substance Misuse (illicit drugs and alcohol) (2022), available on [www.nottinghaminsight.co.uk](http://www.nottinghaminsight.co.uk)
- From harm to hope: A 10-year drugs plan to cut crime and save lives (2021), available on [www.gov.uk](http://www.gov.uk)
- Commissioning of substance misuse treatment and recovery services for Nottingham - report to Commissioning and Procurement Executive Committee (June 2022), available on [www.nottinghamcity.gov.uk](http://www.nottinghamcity.gov.uk)
- Public health ring-fenced grant 2023 to 2024: local authority circular (March 2023), available on [www.gov.uk](http://www.gov.uk)