

Commissioning and Procurement Executive Committee – 21 May 2024

Subject:	Rough Sleeping Drug and Alcohol Treatment Grant 2024/25		
Corporate Director: Director:	Catherine Underwood - People Lucy Hubber - Public Health		
Portfolio Holder:	To be confirmed		
Report author and contact details:	Tammy Coles, Public Health Principal tammy.coles@nottinghamcity.gov.uk		
Other colleagues who have provided input:	Tracey Moore, Finance Anthony Heath, Senior Solicitor Jo Pettifor, Procurement Nancy Cordy, Head of Strategy and Service Improvement 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	
Total value of the decision: £1,035,965			
Section 151 Officer expenditure approval			
Has the spend been approved by the Section 151 Officer? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/a			
Spend Control Board approval reference number: 585			
Commissioner Consideration			
Has this report been shared with the Commissioners' Office? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Any comments the Commissioners wish to provide are listed in section 6 below.			
Wards affected: All			
Date of consultation with Portfolio Holder: TBC			
Relevant Council Plan Key Outcome:			
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 type="checkbox"/>		
Living Well in our Communities	<input checked="" 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"/>		
Summary of issues (including benefits to citizens/service users):			
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. 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.			

Exempt information: None
Recommendations:
1 To approve receipt of funding up to a total of an additional £1,035,965 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 2025.
2 To approve the spend of £32,854.50 to increase substance use commissioning staffing resource in line with grant conditions.
3 To approve the spend of £1,003,110.50 from 1 April 2024 to 31 March 2025 for the provision of Substance Use Treatment services via contract variation to the Nottingham Recovery Network (NRN) contract for the provision of Substance Use Treatment services in accordance with Article 18.110 of the Contract Procedure Rules.

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 for 2024/25. This grant was first awarded in Autumn 2021, with funding allocated until March 2023. OHID have subsequently confirmed a revised (and increased) allocation for 22/23 and 23/24. The allocation for 24/25 was confirmed by OHID in March 2024, 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 adult substance use treatment and recovery services who provide this grant funded activity have contracts through to 30th September 2028, and a contract variation is proposed to continue the Grant-funded activity (recommendation 3) within this contract. Approval to vary the main contract for the existing drug and alcohol treatment system in Nottingham has been sought to ensure that existing delivery of this activity continues. The delivery of this activity will also build on the infrastructure provided through the existing core treatment and recovery service, avoiding costs incurred through duplication of this activity to secure value for money. The existing service is contract managed and has been assessed as performing well.

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 (RSDTAG) 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 Nottingham Recovery Network for the provision of Substance Use Treatment and Recovery 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 the 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 2022 – 31 March 2024).
- 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 included funding previously awarded and covered by spend approval for up to £1,016,044 (CPEC, 14 Dec 2021). Spend approval for the 23/24 allocation was obtained via CPEC on 13 September 2022.

- 2.6 In June 2023, OHID informed us of an indicative allocation of £1,035,966 for 2024/25, subject to ministerial sign off. On 27 March 2024, OHID confirmed Nottingham City's RSDATG budget for 2024/25 as £1,035,965.

- 2.7 Allocations and approvals are summarised below:

	2021/22	2022/23	2023/24	2024/25	Total
Existing spend approval (14 Dec 2021)	£370,056	£645,988	£0	£0	£1,016,044
Existing Spend approval (13 Sept 2022)	-	£334,368	£948,674	£0	£1,284,042
Additional spend approval request	-	-	-	£1,035,965	£1,035,965
TOTAL	£370,056	£980,546	£948,674	£1,035,965	£3,335,246

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. This option would also end the activity of the current team within NRN

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 up to 31 March 2025. There is no indication currently from OHID that this Grant will continue in 25/26. If the funding does not continue beyond March 2025, there will need to be consideration of what activity can be maintained within core substance use services.
- 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 through clear requirements within contract terms

5. Best Value Considerations

- 5.1 Best Value has been demonstrated by: A Commissioning review and review of substance use budget was undertaken prior to a tender process in June 2023, the outcome of which NRN were awarded the contract for adult substance use treatment and recovery services. 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. The tender process included questions around staffing and cost breakdown in order to deliver against nationally set targets. The bid submitted to OHID for this grant specifically outlined how the service model would be delivered against national standards and key performance indicators. Grant activity and performance is monitored and reported to OHID quarterly.

6. Commissioner comments

- 6.1 The Commissioners are content with the proposals set out in this report (23/04/24).

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

- 7.1 This report follows on from a previous report agreed on the 13 September 2022 at the Commissioning and Procurement Executive Committee. Since then, we have received confirmation below of additional grant funding of £1.035m for use in 2024/25

7.2 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 2024/25.

7.3 The total value of this grant is:

Contract Spend	£1,003,110.50
NCC Staffing	£32,854.50
Total RSDATG expenditure 2024-25	£1,035,965.00

7.4

7.4 The grant funding will be received in line with the payment schedule. Funding must be spent by the 31 March 2025, and we should manage receipt of this funding in line with the grant conditions and ensure all funding is claimed for in a timely manner. Any underspend may be subject to being paid back or carried forward where agreed.

7.5 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.

7.6 This additional funding is seeking a vary a contract to continue the current activity. The original contract had been through a competitive tender process ensuring value for money and the right outcomes are being delivered to citizens. The contracts team will need to ensure the contract is robustly monitored, ensuring that the performance is as required and value for money is being delivered.

7.7 Part of the grant funding (£0.032m) will be used to continue funding a fixed term staffing post within the public health team.

7.8 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.

7.9 Assumptions:

- The RSDATG 2024-25 grant is sufficient to cover the costs of this proposal. Any adverse changes to the grant allocation will need to be mitigated by the service, ensuring no financial pressure arises;
- The above figures are based on the 2023-24 NCC pay scales, and subject to yearly pay inflation, of which an assumption is included in the costs above in line with our corporate position;
- The staffing costs are for a fixed term post and may incur redeployment and/or redundancy costs. Any additional costs that are incurred as a result of this decision will need to be mitigated by the RSDATG, seeking further approval where required in line with Council process'.

Tracey Moore, Commercial Business Partner - 11 April 2024

8. **Legal colleague comments**

- 8.1 This report seeks approval to receive and use additional funding of £1,035,965 from the Office for Health Improvement and Disparities under the Rough Sleeping Drug and Alcohol Treatment Grant scheme.
- 8.2 The Council must use the funding in accordance with any terms and conditions imposed on the funding and ensure that all relevant terms and conditions are cascaded to providers in appropriate contractual arrangements to minimise, as far as possible, the risk of clawback of funding from the Council.
- 8.3 Further, it appears this funding has been awarded based on a bid submitted by the Council; the actual use of funds must be as envisaged by the bid unless specific authority is secured from the funder.
- 8.4 Recommendation 2 refers to increasing staff resources. The Council must exercise care in how the staffing resource is secured and retained so that this valuation is not inadvertently exceeded in due course.
- 8.5 It is proposed that this funding is utilised following a variation to an existing contract with the Nottingham Recovery Network. Any process prescribed in the contract to effect the variation must be followed otherwise there is a risk that the purportedly varied contract is unenforceable. Further, it would be prudent for a specific review to be undertaken to ensure that the varied contract is fit for purpose and, in particular, allows the Council to meet any terms and conditions imposed on this funding for 2024/25 as the contract was initiated a few years back and the terms and conditions may have changed in that time.
- 8.6 Legal Services will, subject to resource being available within any time period reasonably specified by the colleagues, support colleagues with appropriate contract variations as envisaged in this report.

Anthony Heath, Senior Solicitor, Contract and Commercial - 8 April 2024.

9. **Other relevant comments**

Procurement colleague comments

- 9.1 This report relates to the acceptance and use of funding awarded to the Council under the Office of Health Improvement and Disparities Rough Sleeping Drug and Alcohol Treatment Grant Scheme. It seeks approval for the expenditure of a proportion of this funding through addition to the existing contract for the provision of Substance Use Treatment services which is in place with the Nottingham Recovery Network.
- 9.2 The existing contract was awarded through a competitive tender process, which secured the best value for money offer for the delivery of these services. The tender documents included clear provisions for the potential addition of funding for additional activities of this nature, should further grant funding become available during the life of the contract. Therefore, the proposed addition to contract is considered permissible under Regulation 13 (1)(a) of the Health Care Services (Provider Selection Regime) Regulations 2023 which provides for modifications which are clearly and unambiguously

provided for in the contract or framework agreement documents. The proposed contract variation is permissible in accordance with Article 18.110 of the Council's Contract Procedure Rules.

- 9.3 The proposal to commission through variation to the existing contract with the Nottingham Recovery Network is considered the appropriate and best value route to commission the additional services required and is supported from a procurement perspective.

Jo Pettifor, Category Manager, People - 2 April 2024

10. **Crime and Disorder Implications (If Applicable)**

- 10.1 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.

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

- 11.1 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.
- 11.2 The provider will, as outlined in their tender bid will be: offering volunteering and apprentice opportunities to the local community and those graduating from their recovery academy, promoting and employing local residents and taking all reasonable steps to minimize any adverse impacts the service may have on the environment
- 11.3 The NRN delivery model is predicated on adding social value by increasing the recovery capital of individuals and communities. This includes intervening in the key areas of health, housing, crime, and social welfare, providing opportunities for individuals to prosper and contribute positively to the communities in which they live. An independently commissioned study found that every pound of investment in NRN's recovery activities generates six times as much social value created for its service users (SUs).

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

- 12.1 The proposals submitted to OHID for the Rough Sleeping Drug and Alcohol Treatment Grant were prepared in consultation with NHS Nottingham and Nottinghamshire ICS

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

- 13.1 An EIA is not required because: Equalities considerations have been considered 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.

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

- 14.1 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.

15. Carbon Impact Assessment (CIA)

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

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

16.1 None.

17. Published documents referred to in this report

17.1 Report / minutes - Commissioning and Procurement Executive Committee, 14 December 2021;

17.2 Report / minutes - Commissioning and Procurement Executive Committee, 13 September 2022.