

Nottingham City Council Delegated Decision



Nottingham
City Council

Reference Number:

5141

Author:

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Department:

People

Contact:

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Subject:

Inpatient detox service 'The Level'

Total Value:

£672,100 (£336,050 per annum x 2 years) (Type: Revenue)

Decision Being Taken:

1. To note the approval of the Section 151 Officer for expenditure of £672,100 for the inpatient detoxification service from 1 July 2024 to 30 June 2026 from the ring-fenced public health grant (Spend Control ID: 4320).
2. To approve the extension of the contract for the inpatient detoxification service known as 'The Level' for 2 years at the proposed increased bed price, increasing our contract value from 1 July 2024 to maintain the number of bed spaces available .

Reasons for the Decision(s)

Nottingham City Council has a statutory duty to improve the health and wellbeing of Nottingham communities, under the Health and Social Care Act 2012. Data from the Nottingham City Joint Strategic Needs Assessment (JSNA) Substance Misuse (illicit drugs and alcohol) (2022) shows that 3,909 individuals from Nottingham City sought treatment from Adult Substance Use Treatment services, amounting to around 19% of estimated substance users in the city. Results from a survey conducted in 2020 indicated that 9.4% of individuals aged 16-59 reported drug use in the past year, accounting for approximately 20,830 Nottingham residents. Additionally, 7,530 (3.4%) individuals admitted they had Class A drugs. A range of substance use services are required to respond to the identified needs.

Inpatient detox is an important part of the substance use pathway. At present, this service (known as The Level) is provided by Framework Housing Association, with the contract set to conclude on 30/06/2024 but with an option to extend for a further two years included in the contract.

The Level is a facility in Nottingham City that provides in patient substance use detoxification and stabilisation services. It operates within an integrated treatment and recovery pathway, and in line with NICE Guidance (Clinical Guideline 52). The service provides 24-hour care by a medically led team with specialist experience in managing the care and treatment of service users with substance use issues, often with complex comorbidities, or who need concurrent detoxification from alcohol or other drugs that requires a high level of medical and nursing expertise.

The service delivers medical assessments, stabilisation, detoxification/assisted withdrawal, emergency care for those in crisis, assessment, and preparation, referral for residential rehabilitation, psychosocial interventions, testing, vaccination and referral for blood-borne viruses, overdose prevention training and provision of naloxone, health promotion, including referral/signposting to healthy lifestyle services and discharge planning. There is a lack of comparable service provision across the Country and the service is therefore used by a range of other local authorities both within and beyond the East Midlands region (funded separately).

The service is commissioned as a block contract with an annual contract value of £285,525, funded from the ring-fenced public health grant. This equates to the equivalent of 1,175 occupied bed days per year at a cost of £243 per bed day. The service performs well against targets contained within the contract. It is important to note that available bed days have been fully utilised for the duration of the contract.

The contract has had no revision of prices since the contract commenced in 2019. Due to increasing costs associated with providing the service (salary uplift and inflationary pressures) it is proposed to increase the annual contract value to £336,050. This would enable continued access to 1,175 bed days per year, at a revised price of £286 per bed day, which is reflective of the actual costs of service provision. This price still represents good value for money compared to the rates paid by other local authorities, and other facilities offering similar services elsewhere in the country (prices range from £308 to upwards of £1,000 for one bed day - please see Appendix 1 section 'Value for Money' for further details).

As well as Nottingham City Council's block contract with The Level, Nottingham City Council is part of a consortia arrangement with other local authorities in the East Midlands. Additional grant funding for inpatient detox was provided by Office for Health Improvement and Disparities (OHID), directly to Nottinghamshire County Council, who manage the consortia contract with The Level. The East Midlands consortia contract is based on an agreed number of bed days allocated to each local authority - these consortia beds are paid for based on use, with the intention that the consortia bed allocation be used before any other commissioned beds. The OHID funding for the consortia beds is of a fixed value and is due to end on 31st March 2025. We have no indication as to whether funding will continue beyond this date.

To manage the increase in bed day prices from The Level, the East Midlands consortia have elected to reduce the number of bed days available to each local authority. This will result in a reduction of 30 available bed days for Nottingham City - there is no option to increase the funding in the consortia contract.

To avoid further reductions in available bed days, it is recommended that the current block contract is extended for a further 2 years (extensions of +1 +1 are provided for within the existing contract) with an increase in the annual contract value of £50,525 per annum, taking the total annual contract value to £336,050. The contract extension and revised contract value will take effect from 1 July 2024, and end on 30 June 2026. This is favourable to both the local authority and to our citizens, providing best value and the required capacity.

Within the duration of the contract extension it should become clear what the arrangements of the consortia will be regarding the continuation of the contract/OHID funding, and this is will inform commissioning arrangements from 2026 onwards.

This decision is allowed under Provider Selection Regime (PSR) regulation 13. 1 (d) because it is under 25% of the total contract value. Please note that any further recommissioning of the service beyond the proposed extension will be considered under the new PSR, which came into effect in January 2024.

Briefing notes documents: Appendix 1 Service review - The Level 2024 FINAL.docx

Other Options Considered:

- 1) Extend the contract for 2 years at the proposed increased bed price, and reduce our number of bed spaces to 998 beds to maintain the current contract value - This option is not recommended as it would result in an overall reduction of 177 beds (including the block contract and consortia beds) which is likely to be insufficient, and result in prolonged waiting times and poorer outcomes for service users.
- 2) Extend the contract for 1 year at the proposed increased bed price, increasing our contract value to maintain the number of bed spaces available - This option is not recommended as this would require an additional commissioning review post-July. This option also does not allow time to consider and impact any changes made to the consortia' funding and arrangements. If we are to consider options to award the contract directly to the current provider through PSR beyond 2026 there is no benefit in extending the contract for a single year rather than for 2 years.
- 3) Do nothing - allow the contract to end and not re-commission the block contract. There would still be a need for citizens to access inpatient detox. Without a block contract for this service in place, there would be no guarantee of beds at The Level being available. Any beds required would need to be spot-purchased at a higher cost, either at The Level or other facilities further afield, resulting in overall increased costs.

Background Papers:

Published Works: Nottingham City Council Strategic Council Plan 2023-27
The Joint Health and Wellbeing Strategy for Nottingham (2022-2025)
Public Health Outcomes Framework (PHOF)
National drug strategy 'From Harm To Hope'
NHS Outcomes Framework
Introduction, Drug misuse in over 16s: opioid detoxification, Guidance, NICE

Affected Wards: Citywide

Colleague / Councillor Interests: N/A

Consultations: Those not consulted are not directly affected by the decision.

Crime and Disorder Implications: Taking action to manage, treat, and prevent substance use will contribute to a reduction in factors that can lead to crime.

Equality: EIA not required. Reasons: EIA not required as this is a continuation of existing activities, so there will be no adverse impact.

Social Value Considerations: 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 Level has integrated peer support to guide service users along their detox pathway, providing opportunities for staff development, service user employment, and voluntary posts.

Regard for NHS Constitution: Local authorities have a statutory duty to have regard to the NHS Constitution when exercising their public health functions under the NHS Act 2006. In making this decision relating to public health functions, we have properly considered the NHS Constitution where applicable and have taken into account how it can be applied in order to commission services to improve the health of the local community.

Decision Type: Portfolio Holder

Subject to Call In: No
The call-in procedure does not apply to the proposed decision because the delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The Chair of the Overview and Scrutiny Committee (or Vice-Chair) in his/her absence has been consulted and agreed both that the decision proposed is reasonable in all circumstances and that it should be treated as a matter of urgency.

Person Consulted: Cllr Samuel Gardiner
Consultation Date: 26/06/2024
Due to the necessity to sign the new contract before the end of June 2024, to ensure there is no gap in provision.

Advice Sought: Legal, Finance, Procurement

Commissioner Comments: The Commissioner is content for this to proceed.

Legal Advice: The report seeks to approve the expenditure of £672,100 for the inpatient detoxification service between 1 July 2024 to 30 June 2026 from the ring-fenced public health grant and to approve the extension of the contract for the inpatient detoxification service known as 'The Level' for 2 years at the proposed increased bed price, increasing the contract value from 1 July 2024 to maintain the number of bed spaces available. The contract for the Inpatient Detoxification Service has a provision for a 1+1 year extension. The proposals in this report raise no significant legal concerns and are supported. The council must continue compliance with the terms and conditions of the Grant and the Council's Constitution. Advice provided by Amana Parveen (Solicitor) on 06/06/2024.

Finance Advice:

As outlined by the report author, this decision seeks approval to fund the Inpatient Detoxification Service from the ring fenced Public Health Grant (RFPHG) from 1st July 2024 to June 2026. The total value of this decision is £672,100 over 2 years, the breakdown is contained within the table below:

	2024/25	2025/26	2026/27	Total
Cost of DDM				
Inpatient detox service (The Level)	£280,042	£336,050	£56,008	£672,100

The maximum cost of this decision is £672,100 and will be incorporated within the Public Health medium term financial plan. This spend is in accordance with the conditions of the Public Health Grant. If the Grant was to reduce in future years, the service would need to realign services within the revised available funding limit to ensure that no financial pressure arises.

The decision seeks to modify an existing contract with Framework Housing Association. The contract will be an initial 1 years with a possible 1 year extension. Colleagues in procurement have confirmed the extension of current contracts. Value for money has been considered and this is shown in Appendix 1. There are no staffing implications for Nottingham City Council.

The actual costs associated with this decision will require regular monitoring as part of appropriate financial accounting with 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.

This decision is still subject to approval from the Spend Control Board.

Further approval will be required if there are any changes to the grant proposals or value outlined in this decision.

Tracey Moore
Commercial Business Partner
30th May 2024

Procurement Advice:

The contract for an Inpatient Detoxification Service was procured and awarded with the provision to extend the contract for a further 1 year plus 1 year, and therefore the Procurement Team support the implementation of the extension on a 1 + 1 year basis for the reasons set out in the decision. The proposed increase in price is considered to be permissible under Provider Selection Regime Regulation 13 (1)(d). The costs have been assessed and the proposed price is represent value for money in comparison with rates paid by other local authorities, and for similar facilities elsewhere. Advice provided by Julie Herrod (Procurement Officer) on 29/05/2024.

Signatures

Pavlos Kotsonis (Executive Member - Adult Social Care and Health)
SIGNED and Dated: 26/06/2024
Lucy Hubber (DPH)
SIGNED and Dated: 19/06/2024