

REPORT TO: Executive Board Sub Committee

DATE: 10th February 2011

REPORTING OFFICER: Strategic Director, Adults & Community

SUBJECT: Invitation to tender for a community based recovery oriented substance misuse service

WARDS: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To seek authority to carry out all necessary steps in relation to the open tendering and commissioning of a community based recovery oriented substance misuse service.

2.0 RECOMMENDATION: That

- (1) the Strategic Director Adults & Community proceeds with the open tendering and procurement of a community base recovery oriented substance misuse service and proceeds with the award of the necessary contract; and**
- (2) the Strategic Director be authorised to take such actions as are necessary to give effect to the above decision.**

3.0 BACKGROUND INFORMATION

3.1 Over the past 10 years the key driver for the national drug strategy has been the rapid expansion of drug treatment provision for those individuals using heroin and crack cocaine. Performance has been focused on ensuring swift access to and retention in treatment. The result has produced significant reductions in crime as well as reducing the public health risks associated with illicit drug use such as hepatitis & HIV.

3.2 The recently published national drug strategy 'Supporting People to Live A Drug Free Life' whilst acknowledging the success of the past strategy recognises that there is a changing pattern of drug use and that more could be done to support people achieve 'recovery' and lead 'everyday lives'.

3.3 At both a national and local level there is a changing pattern of drug use. Those individuals using heroin and crack cocaine tend to be aged over 30 years old, whilst younger individuals often present to services with a combination of alcohol, cocaine and/or cannabis use.

- 3.4 There is also a greater expectation that more people leave drug & alcohol treatment services free from their dependence. Services will therefore be required to achieve improved outcomes in the following areas; physical & mental well being, re-offending, employment, parenting & accommodation.
- 3.5 Currently there are 4 organisations co-located at Ashley House providing a range of drug & alcohol services; 5 Boroughs Partnership NHS Foundation Trust, ARCH Initiatives, Addaction & Trust The Process Counselling.
- 3.6 Whilst performance from each of the current providers is good and many of the building blocks required to produce a 'recovery oriented' substance misuse service are in place, it is anticipated that the following benefits will accrue from a re-commissioning of services; a more streamlined & integrated service; an improved response to the changing patterns of substance misuse; efficiency savings both in terms of operational delivery & performance management; improved support for families and those individuals who achieve abstinence; a greater awareness in communities of the issues around recovering from addiction; & an improved access to services for those individuals whose alcohol use is problematic.
- 3.7 Halton Borough Council and Halton & St Helens PCT will jointly commission the new substance misuse service, bringing together the resources that currently separately fund the alcohol service and the drug services. Children & Young People services and in-patient detoxification will not be included in the tender.
- 3.8 Utilising the Authority's Procurement Team, the new service provider will be selected through an Open Tendering arrangement. Halton Borough Council will be the commissioning body and as such, Part 2.3 of Procurement Standing Orders applies.
- 3.9 The new contract is to commence on the 1st September for a 2 year period, and whilst current funding allocations for drug services are not currently known it is anticipated that the yearly contract value for a substance misuse service (drugs & alcohol) will be in the region of £3.4 million.
- 3.10 The tender & re-commissioning process will be overseen by a Project Board Chaired by the Strategic Director for Adults & Community. In support of the Board is a Project Team led by the PCT Head of Alcohol Commissioning.
- 3.11 Service Users & Carers are formally represented on the Project Team. An independent consultation with service users & carers, and a public survey have also been undertaken, which together with feedback given

to the Patient Opinion website will also make a significant contribution in developing the substance misuse service specification.

4.0 FINANCE & OTHER IMPLICATIONS

4.1 Currently there are three 'streams' of money financing drug & alcohol services. The first is the 'core' health budget historically invested by PCTs in drug & alcohol services. For 2010/11 Halton & St Helens PCT invested £328k in drugs & £259k in alcohol commissioned services.

4.2 The second is the National Treatment Agency Pooled Budget allocation. Ring fenced specifically for commissioning drug treatment services, this funding stream is received by Halton & St Helens PCT from the Department of Health, before being 'pass ported' to the Authority on a quarterly basis. The allocation for 2010/11 was £1.1 million.

4.3 The final funding stream is the Drug Intervention Project Main Grant for the purpose of providing services to drug using individuals in the criminal justice system. Currently this is received by the Authority from the Home Office. However, this is expected to change in 2011/12 where it is anticipated that it will be added to the Pooled Treatment Budget. The indicative allocation for 2011/12 is £136k.

4.4 The total value of contracts for delivery of drug & alcohol services in 2010/11 is £1.73 million

4.5 Modernisation of drug services in Halton has meant the co-location of providers at Ashley House in Widnes. This service delivery arrangement is in line with current best practice.

4.6 The refurbishment of Ashley House was undertaken utilising a mixture of the 5 Boroughs Partnership Trust own capital funding, and capital funds drawn down from the North West Strategic Health Authority, with support from the Safer Halton Partnership.

4.7 The cost of running Ashley House (additional rental, repayment of capital charges and indexation) for 2010/11 is £191k. This cost is met from within existing drugs budgets.

4.8 Ashley House is rented by the 5 Boroughs Partnership Trust from a private landlord. Alternative arrangements will need to be established if they cease to be the service provider from the 1st September 2011.

4.9 There are in the region of 40 individuals currently employed between the 4 provider agencies. TUPE will apply with regards to their transfer from the current to the new provider.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

5.1 Children & Young People in Halton

Staff from the Children Service's Department and other partners have been involved in the consultation process and will continue to be involved thereafter. Whilst there has been significant progress in drug service providers looking beyond the immediate needs of the service user to their role as a parent or carer, or in ensuring adequate safeguarding arrangements are in place, the Think Family approach will be firmly embedded in any new service delivery.

5.2 Employment, Learning & Skills in Halton

Current treatment arrangements focus on accessibility and retention. Whilst these are important features of an effective treatment system future commissioning will increasingly focus on service user's progression and social reintegration particularly in relation to education, employment and training.

5.3 A Healthy Halton

Current treatment arrangements have undoubtedly delivered significant health outcomes in stabilising and retaining service users previously involved in the chaotic use of street drugs. Service users now have a greatly improved access to screening and vaccination programmes for blood borne viruses. However, many also suffer generally poor physical health, anxiety, depression and low self esteem. Future service delivery will also need to address these wider issues of health inequality resulting in both an improved quality of life for the individual but also a reduced monetary burden on the NHS and Social Care services.

5.4 A Safer Halton

Current treatment arrangements have delivered a significant 'crime reduction dividend' through rapid access to substitute prescribing and the excellent partnership working between the Drug Intervention Programme, local prisons, the Prolific Offenders Team and the Problem Solving Court. This will be further sustained through the development of partnership work with the Integrated Offender management programme.

5.5 Halton's Urban Renewal

None identified.

6.0 RISK ANALYSIS

6.1 A redesigned system will attract significant numbers of new individuals seeking treatment for alcohol and this may over-burden drug services which currently do not experience waiting lists or capacity issues. To

mitigate risk, options for self help and community support will be explored and low intensity, high intensity options available to alcohol clients based on need.

- 6.2 An increasing number of individuals wanting to achieve abstinence could place additional budgetary pressure on PCT/DAT budgets (detoxification) and Local Authority community care budgets (residential rehabilitation). Community based alternatives and robust operational procedures will need to be considered to mitigate this demand.
- 6.3 From October 2011, the Coalition is piloting 'payment by results' for drug and alcohol services. It is currently unclear as to how this system will operate but it may well have an effect on future funding allocations.
- 6.4 Whilst the DAT Pooled Treatment Budget is currently ring fenced it is anticipated that this will form a part of the public health funding that will eventually come to Local Authorities. It is unclear as to whether this ring fence will remain, or what degree of flexibility, if any, there may be to accommodate 'alcohol treatment'. In the event of Halton receiving a reduced allocation in future years, this could be managed either through reducing the contract value and activity of the provider service/s or by seeking additional resource from partner agencies on an 'invest to save' basis.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 There are no specific equality and diversity issues. Contractors will be expected to comply with current legislation.

8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

| Document | Place of Inspection | Contact Officer |
|--|----------------------------|------------------------|
| Halton Treatment Plan 2010/11 | Runcorn Town Hall | Steve Eastwood |
| Alcohol & Substance Misuse Treatment Services; Project Initiation Document | Runcorn Town Hall | Audrey Williamson |
| NHS Halton and St Helens Clinical Commissioning Committee | Victoria House, Runcorn | Collette Walsh |