

DECISION REPORT

From: Dan Watkins, Cabinet Member for Adult Social Care and Public Health

Dr Anjan Ghosh, Director of Public Health

To: Health Reform Public Health Cabinet Committee, 2 July 2024

Subject: Kent Adult Drug and Alcohol Treatment Contracts – re-commissioning

Decision no:

Key Decision : Yes - it involves expenditure or savings of more than £1m

Classification: Unrestricted

Past Pathway of report: N/A

Future Pathway of report: Cabinet Member Decision

Electoral Division: All

Is the decision eligible for call-in? Yes

Summary:

The Public Health Service Transformation programme (PHSTP) aims to improve all services in receipt of the Public Health Grant, to ensure that services are efficient, evidence-based and deliver the outcomes and best value. This report outlines proposed changes to the substance misuse service model following review as part of the (PHSTP) and asks for committee endorsement.

Adult drug and alcohol services are funded from the Public Health Grant and cost around £8.8m per annum.

Following a comprehensive review of services, options appraisal and business case development, the recommendation is to make enhancements to the current model and specification.

Following approval of the key decision, a procurement process will be run to select suppliers for the new service and this will follow the new Provider Selection Regime legislation that applies to health care services. We will aim to ensure this approach will support continuity of service, minimise risks such as destabilisation of the workforce and support spending of additional Office for Health Improvement and Disparities (OHID) funding which is designed to boost numbers in treatment and improve quality. Key changes will align to the national drugs strategy, to the Kent drug and alcohol strategy and also to Kent County Council's strategic plan.

Recommendation(s):

The Cabinet Committee is asked to **CONSIDER** and **ENDORSE** or make **RECOMMENDATIONS** to the Cabinet Member for Adult Social Care and Public Health on the proposed decision as set out in the Proposed Record of Decision. (Appendix A) to:

- I. **APPROVE** the procurement and award of contracts for the East and West Kent Community Drug and Alcohol Services effective from 1 February 2025 to 31 January 2029 (four years with two additional two-year extension options),
- II. **DELEGATE** authority to the Director of Public Health to take relevant actions, including but not limited to, entering into and finalising the terms of relevant contracts or other legal agreements, as necessary, to implement the above decision
- III. **DELEGATE** authority to the Director of Public Health, in consultation with the Cabinet Member for Adult Social Care and Public Health, the exercise of any extensions permitted in accordance with the extension clauses within the contract.
- IV. **CONFIRM** that future Office for Health Improvement and Disparities (OHID) grant funding (if received) be deployed against this area of work in accordance with key decision [22/00041](#)

1. Introduction

- 1.1 This report seeks approval for the proposed preferred option for service delivery models from February 2025 onwards. This is to enhance the specification with collaboration from stakeholders and people with lived experience.
- 1.2 The report also seeks endorsement for the procurement of the East Kent Community Drug and Alcohol Service and West Kent Community Drug and Alcohol Service as the current contracts expire on 31 January 2025.
- 1.3 KCC commissions these services as part of its statutory responsibilities and as a condition of its Public Health Grant. Kent Drug and Alcohol Services aim to reduce the harm caused by drugs and alcohol and improve the health and wellbeing of Kent's population. The local authority's Public Health grant requires the Authority to "have regard to the need to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services."
- 1.4 Professor Dame Carol Black's Review of Drugs¹ was commissioned by the Home Office and the Department of Social Care to inform government thinking

¹ Department of Health & Social Care (2021) Dame Carol Black's Independent Review of Drugs
<https://www.gov.uk/government/publications/review-of-drugs-phase-two-report/review-of-drugs-part-two-prevention-treatment->

on what more can be done to tackle the harm that drugs and alcohol cause underpinning the 10-year drug strategy. Following this review, government published a 10-year drug strategy named From Harm to Hope and subsequently awarded local authorities with 3 year grant funding to supplement existing substance misuse services. For Kent County Council this totals circa £11.4m over the three years April 2022 to March 2025. The recommendations in this paper are in line with Professor Dame Carol Black's recommendations and the national From Harm to Hope Strategy which identify the need to maximise the stability and consistency of services to benefit both the person in receipt of care and support and the workforce.

2. Strategic alignment and background

- 2.1 The provision of Kent Drug and Alcohol Services aligns with the local and national strategies. Locally, the services support the levelling up agenda and integrated model of care outlined in KCC Strategic plan 2022-26 under Priority 1 - Levelling up Kent and Priority 4: New Models of Care.
- 2.2 This provision also aligns to Securing Kent's Future 2022-2026 under Objective 3: Policy choices and scope of Council's ambitions, by evaluating the statutory minimum requirements in order to create efficiencies.
- 2.3 This service supports delivery of the Kent Drug and Alcohol Strategy, 2023-2028 'Better Prevention, Treatment and Recovery and Community Safety', which identifies 13 strategic priorities across three main areas: Prevention, Improving Treatment and Recovery and Community Safety. The Young Persons Drug and Alcohol Service specifically contributes to achieving the objectives of prevention, early intervention, and system-approach to the improvement of treatment.
- 2.4 Nationally, the Kent drug and alcohol services support the 2021 10-Year Drug Strategy and associated investment linked to national objectives of improving numbers in treatment, continuity of care from prison to community, quality of treatment and reduction in drug and alcohol related mortality. As a result of the additional investment from Central Government to sustain these national strategic objectives, Kent is in receipt of £11,424,253 investment via a number of OHID grants over the period April 2022 to March 2025, of which £7,628,000 is anticipated to go to the Adult Drug and Alcohol Services. This additional funding is linked to maintaining the level of investment from the Public Health Grant and to the commitment of successfully achieving established local targets.
- 2.5 The additional funding received has supported increasing investment to existing services and implementing new services. Examples include:
 - The establishment of a Kent Lived Experience Recovery Organisation; Reach Out and Recover (ROAR)
 - Additional staff to reduce caseloads, increase capacity and improve quality
 - Specialist staff such as complex case workers, criminal justice workers,

and inclusion workers to ensure the most vulnerable individuals are identified and supported.

- A service to support people into treatment who are sleeping rough or are at risk of sleeping rough.
- A service to support people who are already in treatment that require housing support in order to maintain their recovery journey.
- Additional funding for tier four placements including residential rehabilitation and inpatient detoxification.

3. Current contracts

Kent Community Adult Drug and Alcohol Services

3.1 Kent Community Adult Drug and Alcohol Services are currently formed by two contracts, both of which are due to come to an end on 31 January 2025. These are as follows:

- East Kent Community Drug and Alcohol Service, delivered by The Forward Trust awarded in 2017.
- West Kent Community Drug and Alcohol Service, delivered by Change Grow Live (CGL) awarded in 2016.

3.2 The East Kent and West Kent Drug and Alcohol services deliver open access drug and alcohol treatment and harm reduction services for adults aged 18+ through a range of interventions including structured psychosocial support, clinical interventions, access to residential rehabilitation and inpatient detoxification, provision of needle exchange and Naloxone. Throughout the lives of the contracts, the services have worked in partnership with commissioners to enhance their service offer via various funding streams.

3.3 Commissioners undertook a formal review of the West Kent contract in 2020 and the East Kent contract in 2021, both of which concluded with the core recommendation to align the end of both contracts to 31 March 2024. This was based on the good performance of the services, both of which performed well against targets and regional and national averages, delivering overall good value for money, and avoiding disruption to vulnerable people by recommissioning the services during the Covid-19 pandemic.

Further Extension

3.4 The substantial increase in funding as a result of the OHID grants created a difficult situation to procure services which support a highly vulnerable cohort of people during a time of volatile funding. Considerations included:

3.4.1 If services were procured in line with the original anticipated end dates then there would be a significant drop in funding after the first year of the new contract which presents a risk to the person in receipt of care and support..

3.4.2 By commencing a competitive procurement for new contracts without knowledge of the funding available, the council could not offer funding assurance to bidders which could impact on the commercial proposals put

forward in tenders, thereby jeopardising the value for money offered. In addition, it may lead to contract instability as there would likely be the need to renegotiate the contract during delivery.

- 3.5 In August 2023, a key decision ([23/00032](#)) was taken to extend both contracts by a further period of ten months to allow clarity to be obtained over future funding streams. The ten month extension was from 1 April 2024 to 31 January 2025.

4. Public Health Service Transformation programme (PHSTP)

- 4.1 Kent County Council (KCC) Public Health is leading a transformation programme designed to improve service delivery to communities, particularly targeting underserved communities. The transformation work aims to ensure that services are efficient, evidence-based, deliver outcomes and best value.
- 4.2 The Health Reform and Public Health Committee has received regular updates on this programme of work and helped to shape its development.
- 4.3 PHSTP sets out a seven stage process and substance misuse services have completed the initial six stages of this programme. The last stage is implementation.
- 4.4 Key themes identified over the course of the programme are as follows:

Proforma

- 4.5.1 The current services perform well compared to national average
- 4.5.2 There are good partnerships and working relationships in place with other services, such as One You Kent, Probation and the Hepatitis C Trust.
- 4.5.3 There are service pressures, such as recruitment and retention of a skilled workforce, as well as opportunities for innovation and service development given the uplifts
- 4.5.4 Training across the system is required to tackle the stigma and discrimination to this cohort of people
- 4.5.5 People enter treatment at quite a late stage in their treatment journey, meaning there are often severe physical health issues to be addressed alongside the substance use
- 4.5.6 The whole system will benefit from clearer, more defined pathways between services such as hospitals, criminal justice and tier four services (inpatient detoxification and residential rehabilitation)

Stakeholder workshops

- 4.5.7 Retaining and building on existing partnerships is key for effective working and delivery of services which complement each other, such as working with Health colleagues to define pathways in and out of inpatient detoxification
- 4.5.8 Investment in earlier intervention/prevention is key in order to

prevent people accessing the system at a stage where their health and wellbeing has already been impacted

4.5.9 Providers reported increasing complexity amongst the people they are supporting; the presence of co-occurring conditions, such as mental health, and poly-drug use are becoming increasingly common

4.5.10 The person's voice is key; there needs to be a move towards a more meaningful and collaborative relationship with those with lived experience.

5. Commissioning service model

5.1 The vision for the service is that:

“Kent Drug and Alcohol Services will be safe, high quality, easy to access and focused on recovery. They will be there for all people who need them, each step of the way into recovery and good health. Those working in the services will be highly trained and supported. They will understand the difficult journey people make to be free of addiction, advocating for all people to get the best treatment and recovery they can. They will be ‘trauma informed’ and this means they will be compassionate, challenge stigma and remove barriers to treatment particularly for the most vulnerable. They will work hand in hand with those with lived experience of addictions and all health and social care partners to get the best results possible. Embedded into the heart of the community, these will be evidence-based services, working with all partners to ensure there is hope and recovery for everyone.”

5.2 The service delivers interventions through a variety of methods:

- Psychosocial support on both a group and one-to-one basis, utilising techniques such as motivational interviewing and cognitive behavioural approaches.
- Clinical interventions include prescribing for detoxification, opiate substitution therapy, and relapse prevention medications
- Harm reduction, including screening for blood borne viruses, vaccinations for hepatitis B, provision of needle exchange and Naloxone (used to quickly reverse an opioid overdose)
- Access to community or inpatient detoxification, and to community or residential rehabilitation

5.3 Expected outcomes from the service include:

- Deliver a highly effective drug and alcohol treatment and recovery service for the people of Kent.
- Increase numbers of appropriate people in need of drug and alcohol treatment accessing services from the 2022 baseline, prioritising increasing numbers of the most vulnerable.

- Contribute towards the reduction of drug and alcohol related harms in Kent
 - Contribute to the reduction in drug and alcohol related morbidity and mortality
 - Improve the quality and availability of support to families and carers (including parents and children)
 - Develop, enhance and innovate, as necessary, high quality models of drug and alcohol treatment and recovery delivery.
- 5.4 As part of the Public Health Service Transformation Programme, a long list of options was explored in order to identify potential changes to the existing delivery model for drug and alcohol services in Kent.
- 5.5 The OHID grant requirement to maintain Public Health Grant investment into the services at or above the levels reported in 2020–2021 meant whilst it was possible to consider efficiencies, any savings made needed to remain invested in the services.
- 5.6 Options considered but rejected included:
- Keep current service the same - no change/ do nothing - The drug landscape has changed since the current service was tendered; it is important that services are fit for purpose and meet people’s presenting needs and therefore this was a non-viable option
 - Discontinue/ decommission the current service - Decommissioning the service was concluded as a non-viable option that would place KCC in breach of the Public Health Grant conditions.
 - Split the service in two – one focusing on detox and treatment and the other focusing on recovery - it was deemed that this would add confusion to an already complex system within Kent.
 - Bring pharmacy contracting responsibilities in-house - established relationships are already in place with providers, bringing pharmacy provision in-house risks limiting the pool of available pharmacies, which in turn may create a barrier for people in terms of access.
 - Stop using fixed premises and move to a co-location model – it is important that drug and alcohol services have a physical presence in accessible areas in order to provide drop-ins and needle exchange. Removing this presence risks missing opportunities to help people at the point they are motivated to seek support.
- 5.7 The preferred option identified was to enhance the specifications with collaboration from stakeholders and people with lived experience. The proposed changes thus far are included as Appendix B. Advantages include:
- The opportunity to draw upon local and front-line expertise when identifying potential service improvements
 - Increased buy-in of all stakeholders as a result of collaboration

- Focus on achievable improvements, such as defining efficient pathways
- Anticipated changes to the specifications are ones that can happen within the current financial envelope

5.8 Following award of the contracts to relevant suppliers, co-design activity will take place with suppliers, stakeholders and people with lived experience to refine specifications based on the high level commissioning model. It will not be possible to carry out this work ahead of contract award as this may unfairly advantage certain suppliers, should a competitive procurement process be deemed necessary.

6. Financial implications

6.1 The funding for these contracts would be funded entirely from the Public Health Grant and, should OHID confirm additional grant funding beyond March 2025 linked to the 10-year national drug and alcohol strategy 'From Harm to Hope', this would be used for additional activity within the contract. The additional grant-funded activity could include a continuation of activity currently funded by the existing OHID grants however innovation would also be considered, should funding allow.

6.2 The estimated financial commitment for an eight year contract for the East Kent Drug and Alcohol Service is £43,461,175.80. This equates to an average of approximately £5.5m annually.

6.3 The estimated financial commitment for an eight year contract for the West Kent Drug and Alcohol Service is £30,291,915.85. This equates to an average of approximately £3.8m annually.

6.4 The above values reflect a 1% per year annual uplift to the contracts (with the exclusion of the first year). This uplift reflects the need to retain the workforce; services have highly specialised roles and high, complex caseloads. This makes it difficult to retain staff, especially given Kent's proximity to London, with higher wages available there.

6.5 In terms of affordability, the annual increase in the Public Health Grant is only generally known for the current year, so it is not possible to know with certainty that there will be sufficient Public Health Grant to fund the increase. If the Public Health Grant increases prove to be insufficient then savings will need to be delivered elsewhere in the programme.

6.6 Additional OHID grant funding is only currently confirmed until 31 March 2025. Should this funding be extended beyond that point, it will be treated as a contract variation and will be in addition to the above estimated values and will require the providers to deliver additional activity.

6.7 A key decision ([22/00041](#)) has already been taken to accept and deploy the additional money received, therefore a further decision would not be required for deployment of further funding.

7. Commercial implications

- 7.1 The scope of this paper covers the two contracts previously mentioned; the procurement process detailed below will apply to each of the contracts individually.
- 7.2 Initially, commissioners conducted a make or buy assessment to establish whether it is possible to deliver the services in-house. KCC currently lacks the specialism, clinical governance and infrastructure required to deliver specialist drug and alcohol interventions.
- 7.3 The Health Care Services (Provider Selection Regime) Regulations 2023 (PSR) is a new set of rules, effective from 1 January 2024, for procuring health care services in England (this includes substance misuse services) and must be followed by organisations termed 'relevant authorities'. The relevant authorities to which the PSR applies are NHS England, NHS trusts and foundation trusts, Integrated Care Boards, and local and combined authorities.
- 7.4 Commissioners will procure the services in line with the above legislation and will follow appropriate governance routes, including obtaining the relevant approvals from the Commercial and Procurement Oversight Board.

8. Equalities Implications

- 8.1 Equalities Impact Assessments have been completed for each of the services in scope. Current evidence suggests that there is no negative impact and this recommendation is an appropriate measure to advance equality and create stability for vulnerable people. The EQIAs are attached as Appendices C and D.
- 8.2 Providers are required to conduct annual EQIAs as per contractual obligations.

9. Data Protection Implications

- 9.1 General Data Protection Regulations are part of current service documentation for the contract and there is a Schedule of Processing, Personal Data and Data Subjects confirming who is data controller/ processor. There is also an existing Data Protection Impact Assessment (DPIA) relating to the data that is shared between Kent County Council, the provider and the Office for Health Improvement and Disparities (previously named Public Health England) and the services.
- 9.2 DPIAs will be updated following contract award, and prior to the contract commencement date, to ensure they continue to have the most up-to date information included and reflect any changes to data processing as a result of the specification enhancements.

10. Legal Implications

- 10.1 Under the Health and Social Care Act 2012 [8], Directors of Public Health (DPH) in upper tier (UTLA) and unitary (ULA) local authorities have a specific duty to protect and enhance the population's health.
- 10.2 KCC commissions these services as part of its statutory responsibilities and as a condition of its Public Health Grant. Kent Drug and Alcohol Services aim to

reduce the harm caused by drugs and alcohol and improve the health and wellbeing of the people of Kent. The local authority's Public Health Grant requires the Authority to "have regard to the need to improve the take up of, and outcomes from, its drug and alcohol misuse treatment services."

10.3 The recommissioning of these services will fall under the Provider Selection Regime (PSR) introduced under the Health and Care Act 2022. Appropriate legal advice will be sought in collaboration with the Governance, Law and Democracy team and will be utilised to ensure compliance with relevant legislation. The Provider Selection Regime is still in its infancy and so commissioners will be working closely with the legal team as well as the Commercial and Procurement Team.

11. Conclusions

11.1 Integrated Commissioning is seeking approval to proceed with the proposed preferred option for service delivery model from February 2025 onwards; this will see enhancements made to the specification in collaboration with stakeholders and people with lived experience to support improvements in services and outcomes.

11.2 Integrated Commissioning is also seeking approval to procure the East Kent Drug and Alcohol Service and West Kent Drug and Alcohol Service contracts, in line with the Provider Selection Regime.

11.3 This approach has been endorsed by the Commercial Procurement and Oversight Board and outcome of the procurement process will be presented prior to award in line with KCCs informal governance processes.

12. Recommendation(s):

12.1 The Cabinet Committee is asked to **CONSIDER** and **ENDORSE** or make **RECOMMENDATIONS** to the Cabinet Member for Adult Social Care and Public Health on the proposed decision as set out in the Proposed Record of Decision. (appendix A) to:

- I. **APPROVE** the procurement and award of contracts for the East and West Kent Community Drug and Alcohol Services effective from 1 February 2025 to 31 January 2029 (four years with two additional two-year extension options),
- II. **DELEGATE** authority to the Director of Public Health to take relevant actions, including but not limited to, entering into and finalising the terms of relevant contracts or other legal agreements, as necessary, to implement the above decision
- III. **DELEGATE** authority to the Director of Public Health, in consultation with the Cabinet Member for Adult Social Care and Public Health, the exercise of any extensions permitted in accordance with the extension clauses within the contract.

- IV. **CONFIRM** that future Office for Health Improvement and Disparities (OHID) grant funding (if received) be deployed against this area of work in accordance with key decision [22/00041](#)
-

13. Background Documents

- 13.1 [Framing Kent's Future - Our Council Strategy 2022-2026](#)
- 13.2 HM Government (2021) [From Harm to Hope - A Ten Year Drugs Plan to Cut Crime and Save Lives](#)
- 13.3 Department of Health & Social Care (2021) Dame Carol Black's Independent Review of Drugs <https://www.gov.uk/government/publications/review-of-drugs-phase-two-report/review-of-drugs-part-two-prevention-treatment-and-recovery>
- 13.4 Kent Drug and Alcohol Strategy 2023-2028 ([Kent Drug and Alcohol Strategy 2023-2028](#))
- 13.5 2022 Kent Drug Needs Assessment [Drug Needs Assessment \(kpho.org.uk\)](#)
- 13.6 2021 Alcohol Needs Assessment [Alcohol needs Assessment 2021 \(kpho.org.uk\)](#)
- 13.7 [2022 Kent Rough Sleepers Needs Assessment - Search - Kent Public Health Observatory \(kpho.org.uk\)](#)
- 13.8 Drug & Alcohol Needs Assessment for Children and Young People [CYP-Substance-Misuse-Final-Draft-July2016-v2.0.pdf \(kpho.org.uk\)](#)
- 13.9 [Public Health Indicators – PHOF Public Health Outcomes Framework - GOV.UK \(www.gov.uk\)](#)

14. Contact details

Report Authors:

Rebecca Eley
Senior Commissioner (Integrated Commissioning)
03000 418777
rebecca.eley@kent.gov.uk

Victoria Tovey
Assistant Director of Integrated Commissioning
03000 416779
victoria.tovey@kent.gov.uk

Jessica Mookherjee
Consultant in Public Health
03000 416493
Jessica.Mookherjee@kent.gov.uk

Relevant Director:

Dr. Anjan Ghosh
Director of Public Health
03000 412633
anjan.ghosh@kent.gov.uk

