

By: Graham Gibbens, Cabinet Member for Adult Social Care and Public Health

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To: Adult Social Care and Health Cabinet Committee

1st May 2015

Subject: Review of commissioning of Drug and Alcohol Services

Classification: Unclassified

Past Pathway: This is the first committee to consider this report

Future Pathway: None

Electoral division(s): All

Summary: In December 2014 Cabinet Committee received a report regarding a transfer of commissioning arrangements for drug and alcohol services. Previously commissioning was within the Kent Drug and Alcohol Action Team (KDAAT), but responsibility transferred to Public health in October 2014.

Since the transfer the commissioning arrangements have been reviewed and this paper outlines some of the learning from that review. Prior to the transfer an audit was undertaken which outlined a series of action which needed to be undertaken and these actions have been in progress since the transfer of responsibility.

The commissioning arrangements have been re-audited and this paper outlines the result of that progress made. Kent Drug and Alcohol Action Team (KDAAT) services are due for re-tender in 2015/16 and the learning from the review will be embedded into the re-commissioning process.

Recommendation(s):

Adult Social Care and Health Cabinet Committee Members are asked to comment on the progress made against the audit of KDAAT commissioning arrangements and to endorse the future direction for drug and alcohol services.

1. Introduction

1.1. In October 2014 the commissioning of drug and alcohol services transferred into the KCC Public Health team. This transfer in arrangements provided an

opportunity to review the approach to commissioning and evaluate what has worked well and not so well.

- 1.2. Kent has been a high performing area against substance misuse key performance indicators. Both within commissioning and delivery there have been innovative approaches to improve outcomes for service users in terms of individual's health and also community safety.
- 1.3. An internal audit identified in October 2014 outlined concerns regarding some commissioning processes. These concerns have now been resolved and this report outlines the progress made to resolve the issues. The learning will be valuable for commissioning moving forwards.

2. Background

- 2.1. Prior to 2013 the funding for substance misuse services was multi agency and pooled into one budget. KCC hosted responsibility for commissioning through a commissioning arrangement called the Kent Drug and Alcohol Action Team (KDAAT). From April 2013 this changed and substance misuse funding was incorporated into the new Public Health grant allocated to local authorities.
- 2.2. The commissioned contracts are with Turning Point in the East of the County, and Crime Reduction Initiatives (CRI) in the West of the County for substance misuse services for adults. The contracts are with Kent Council on Addiction (KCA) for young person's services across the County. All services have been tendered through competitive process.
- 2.3. Kent has been a high performing area in relation to services for drug and alcohol misusers, both in adult and in young person's services. The key indicator is people who complete treatment free from drug dependence. The latest published data places Kent within the top quartile nationally on this measure of success.

3. Learning

- 3.1. An audit and review of commissioning arrangements has been undertaken before the transfer of commissioning into Public health in October 2014. This resulted in an action plan identifying some changes which needed to be made in the commissioning arrangements. The main changes are outlined below.

Commissioning in partnership

- 3.2. Like many other outcomes, substance misuse is an issue that cannot be tackled effectively by any one organisation in isolation. Problematic drug and alcohol misuse has a range of complex causes and has a severe and detrimental impact not only on individuals but families and communities across Kent.
- 3.3. KDAAT commissioning has worked well in partnership and showed that an integrated approach is critical to minimising the harms to individuals and communities associated with substance misuse. This means working together as strategic commissioners, and as providers of services, to ensure services are designed to address a wide range of needs, including drug and alcohol dependence, and also safeguarding, health and offending behaviour.
- 3.4. The KDAAT Board has operated to bring together commissioners from across KCC, safeguarding, health and criminal justice systems and jointly agree strategic priorities and align resource.
- 3.5. The board membership has been reviewed and the terms of reference re-drafted to reflect the new arrangements for partners, including within Kent County Council, and also with Clinical Commissioning Groups, NHS England and Criminal Justice partners as well as wider Health and Wellbeing Board partners. It is all partners that should drive the agenda for this Board, and ensure that new contracts reflect their strategic and operational priorities.

Payment for performance

- 3.6. KDAAT has tested several different contracting approaches to incentivising providers to improve performance, including setting and monitoring targets and adjusting payment in line with actual performance.
- 3.7. In 2012, West Kent was selected by the Department of Health to be one of eight pilot sites for Payment by Results (PbR) in drug and alcohol recovery. KDAAT used other payment for performance methods such as service credits and performance incentivisation payments in the contracts for prison substance misuse services and the East Kent community substance misuse service.
- 3.8. Each of these approaches have their respective advantages and disadvantages but a common theme in the review has been the importance of ensuring that targets are realistic, and that risk does not disadvantage Small and Medium sized Enterprises.
- 3.9. Public Health is reviewing the independent evaluation of the national PbR pilots including the West Kent contract alongside the other payment for performance mechanisms that have been applied on other contracts. Implementation of the

payment mechanism has been difficult locally in Kent for both commissioners and providers and a different approach is needed going forwards.

- 3.10. Key learning includes the need to ensure that there is accurate baseline data in place before implementation and that any risk within the performance related arrangements is properly understood and can be managed by providers. In addition strong contract management is needed to ensure that contracts are fairly and appropriately managed.

KCC Audit


- 3.11. The recent KCC internal audit of the governance and contracting arrangements within KDAAT highlighted some of the challenges that can arise in an integrated approach to commissioning. It signalled the importance of ensuring that the appropriate democratic processes and procurement procedures of the lead organisation are fully adhered to. The audit exposed a series of processes which had not been followed internally.

- 3.12. The key issues identified in the audit were in relation to:

- Governance including Clinical Governance.
- Compliance with internal process for financial management and contract management.
- Compliance with decision making process.
- The importance of robust contract management

- 3.13. A wide range of actions have taken place to address these concerns including the key decision taken by Cabinet members in December 2014 Cabinet Committee. A clinical governance policy has been agreed to ensure a robust process is in place and this is clearly linked with other quality governance structures. Contract management has been a particular focus, there have been a series of negotiations with relevant providers regarding the payment arrangements. This has been significant to ensure compliance with legal and procurement process, and also to ensure that services are financially stable and sustainable.

- 3.14. Public health has been audited in March 2015 against the agreed action plan. The table below shows the result of that audit. This shows that substantial progress against all actions has been made.

Audit	Date	Management Actions		Implemented/ In Progress*		Comment on Progress/ Improvement	Overall Opinion on Actions R.A.G.
		High	Medium	High	Medium		
KDAAT	07/2014	7	0	5 2*	0	Interim follow-ups in Jan and March 2015 indicate good progress on rectifying issues through robust improvement plans under new management. The two outstanding recommendations are in progress and nearing completion.	

4. Future Plans

- 4.1. Public Health will apply the learning from the KDAAT experience of commissioning drug and alcohol services along with learning from other commissioning projects in public health. The services are due for retender this year and this process will take account of all of the learning from the transfer and audit.

5. Conclusion

- 5.1. Public Health has sought to understand and learn from the review of the commissioning of drug and alcohol services. This analysis has highlighted a number of points of learning which are applicable, not only to future commissioning of drug and alcohol services, but also to commissioning more widely.
- 5.2. Public Health will apply the as it re-commissions both drug and alcohol services and other public health services designed to deliver improved public health outcomes and better value for money.

6. Recommendations

Recommendation(s):

Adult Social Care and Health Cabinet Committee Members are asked to comment on the progress made against the audit of KDAAT commissioning arrangements and to endorse the future direction for drug and alcohol services.

Background documents

None

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