

## CABINET

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| <b>DATE</b>                 | 2 <sup>nd</sup> April 2025   |
| <b>REPORT OF</b>            | Councillor Stan Shreeve, Portfolio Holder for Health, Wellbeing, and Adult Social Care   |
| <b>RESPONSIBLE OFFICER</b>  | Diane Lee – Director of Public Health  |
| <b>SUBJECT</b>              | Procurement of an integrated substance use service provision within North East Lincolnshire  |
| <b>STATUS</b>               | Open   |
| <b>FORWARD PLAN REF NO.</b> | <b>GENERAL EXCEPTION</b> - Not included on the Forward Plan therefore, to be considered under the General Exception provisions of the Constitution |

### CONTRIBUTION TO OUR AIMS

Good health and wellbeing is an important area of the public's health and contributes towards achieving the Council's priorities of a stronger community and stronger economy. Ensuring there is a free, equitable, open service for residents within the borough to access substance use (drug and alcohol) treatment and recovery service provision, supports the strategies and plans of the two local statutory partnerships – the Health and Wellbeing Board and Safer and Stronger Communities Partnership whilst also enabling North East Lincolnshire to deliver locally the outcomes outlined in the Government's "From Harm to Hope" 10-year Drug Plan (delivering a world-class treatment and recovery system).

### EXECUTIVE SUMMARY

Current substance use services commissioned by the Council are due to end on 30<sup>th</sup> September 2025, therefore this report is to authorise the market engagement, procurement and award through delegated powers of a contract to provide an integrated substance use service.

### RECOMMENDATIONS

It is recommended that Cabinet:

1. Approves a Preliminary Market Consultation activity as described in this report to allow the early engagement of the market and to inform the procurement specification.
2. Approves the procurement of an integrated substance use service to be undertaken.
3. Delegates authority to the Director of Public Health in consultation with the Portfolio Holder for Health, Wellbeing and Adult Social Care to award the contract for a new consolidated substance use service upon completion of the

procurement exercise

4. Delegates responsibility to the Director of Public Health in consultation with the Portfolio Holder for Health, Wellbeing and Adult Social Care to deal with all ancillary matters reasonably arising including implementation and mobilisation.
5. Authorises the Assistant Director Law and Governance (Monitoring Officer) to complete all requisite legal documentation in relation to the matters outlined above.

## REASONS FOR DECISION

North East Lincolnshire Council commissions drug and alcohol service provision within the borough, so that residents are able to access appropriate evidence based services for treatment and recovery of drug and alcohol related health problems. In North East Lincolnshire, local drug strategy priorities are shaped by the broader national framework but also tailored to address specific regional needs. Our local approach is driven by the Combatting Drugs Partnership, which focuses on 5 strategic priorities: *prevention, reducing harm and supporting recovery, treatment and recovery integration, comorbidity and criminal justice*. Procuring and delivering a world-class treatment and recovery system will enable North East Lincolnshire to deliver these local priorities alongside, the outcomes in the Government's 10-year Drug Plan

Engagement with people within the service, the public, partners and stakeholders have taken place to ensure that the proposed service model is fit for purpose and meets people using the service's requirements. The proposed service model will then be presented to the market through a Preliminary Market Consultation, to test the model's deliverability and prepare the market prior to the procurement being published. Undertaking and completing the procurement process during the current contract's final year will allow a sufficient mobilisation period for these complex services, including any Transfer of Undertakings (Protection of Employment) Regulations (TUPE) staff and data transfer process needed to enable new services to be launched on 1<sup>st</sup> October 2025.

## HEALTH INEQUALITIES

There is a strong association between socioeconomic position, social exclusion and substance-related harm. Evidence shows that those from vulnerable and disadvantaged groups, such as people living in more deprived areas, with lower socioeconomic capital and individual resources are at greater risk of drug and alcohol related harm.

Offering access to personalised high-quality drug and alcohol treatment and recovery services is essential for enhancing safety, reducing health inequalities, and supporting individuals in achieving positive outcomes. Equitable access to these services not only benefits the individual's receiving treatment, but also contributes to the well-being of their families, children, and the wider community.

## 1. BACKGROUND AND ISSUES

- 1.1 The Government has published “From Harm to Hope” 10-year Drug Plan (delivering a world-class treatment and recovery system) which focuses upon national and local partners delivering three strategic priorities: *Breaking drug supply chains, delivering a world class treatment and recovery system, and achieving a generational shift in demand for drugs*. This strategy has served as a guide for councils in improving treatment and recovery services by emphasising the implementation of innovative treatment pathways, the vital role of prevention initiatives, and highlighting the importance of integrating lived experience into service delivery models.
- 1.2 The most recent Government Alcohol Strategy was published in March 2012. The strategy focuses on preventing alcohol-related harm by reducing the number of people drinking to excess and making “less risky” drinking the norm, both through local and national action.
- 1.3 The Council currently commission drug and alcohol related services within North East Lincolnshire:
- 1.4 **Drug and alcohol treatment service.** The service commenced delivery (following a mobilisation period) on 1<sup>st</sup> April 2018 to 30<sup>th</sup> September 2025 for With You (formally Addaction) to deliver the North East Lincolnshire Integrated Drug and Alcohol Treatment service. This service is currently delivered from two buildings situated in Grimsby Road, Cleethorpes and Cleethorpe Road, Grimsby.
- 1.5 **Needle exchange service and supervised consumption service.** Both services are delivered in partnership with community pharmacists within the borough. The needle exchange and supervised consumption service operate from multiple sites locally.
- 1.6 The above services are funded from the Public Health budget allocation, the service also receives additional grant funding from the Police and Crime Commissioner and Drug and Alcohol Treatment and Recovery Integrated Grant (DATRIG).
- 1.7 The current services cover access to high quality drug and alcohol treatment, needle and syringe provision and supervised consumption services within North East Lincolnshire that any resident within the borough can access.
- 1.8 Engagement with people within the service, the public, partners and stakeholders have taken place to ensure that the proposed service model is fit for purpose and meets the requirements of people using the service.
- 1.9 To achieve the deadline a project team has been formed involving key stakeholders including, local authority commissioners, partner agencies, specialists from other services, and colleagues from the Council (Procurement, HR, Legal, Finance). A project plan has also been developed.

- 1.10 The indicative duration of the replacement contract needs to be appropriate in length to attract the health care market, be financially viable and outcome focussed. A period no less than five years in duration is recommended.
- 1.11 Indicative publication for the tender is 5<sup>th</sup> May 2025. The indicative closing date or receiving tenders is 2<sup>nd</sup> June 2025, and the evaluation will take place over an indicative two-week period commencing 3<sup>rd</sup> June 2025.

## **2. RISKS, OPPORTUNITIES AND EQUALITY ISSUES**

- 2.1 **Crime & Disorder** – The drug and alcohol treatment service provides rehabilitation and treatment as part of community sentences, rather than custodial sentences, to support rehabilitation and reduce reoffending. There is also an emphasis on continuity of care for individuals entering or leaving the criminal justice system to ensure sustained support.

The provider of the service must adhere to the legal requirement of complying with the quality standards, policies and procedures of National Institute for Health and Care Excellence (NICE), Office of Health Improvement and Disparities, Department of Health and Health and Social Care Act 2012.

- 2.2 **Human Rights** – None as a direct result of this report.
- 2.3 **Equality & Diversity** – The recommendation will have a positive impact on equality and diversity within North East Lincolnshire ensuring a new service provision is in place that remains open and is accessible to all residents within the borough.
- 2.4 The Council is required to comply with the Equality Act 2010 in the provision of Public Health Services and the NHS Constitution when making decisions affecting the delivery of public health in its area.
- 2.5 **Value for Money** – The procurement process will award the tender to the provider who submits the most economically advantageous bid (both quality and cost).
- 2.6 All Councils are facing unprecedented challenges in providing improved quality of service provision whilst at the same time dealing with increased demand against a backdrop of reduced funding.
- 2.7 **The impact on the social, economic and environmental well-being of the Borough** – The recommendation will have a positive impact on the health and wellbeing of residents within North East Lincolnshire.
- 2.8 Accessible and effective recovery-based substance use services make an important contribution to the economic, health and social wellbeing of North East Lincolnshire residents – adults and young people alike.

### **3. OTHER OPTIONS CONSIDERED**

- 3.1. Do not procure the replacement substance use service. This is not an option as Drug and alcohol services are provided as part of the Council's responsibility under the Health and Social Care Act 2012.
- 3.2. Direct award using the Provider Selection Regime (PSR). This is not an option due to:
  - The current substance use provider is not the only provider in the market and we are aware that there are other providers who can deliver this service.
  - Wanting to make considerable changes to the service provision in addition to changes in funding uplifts. The current provider has been part of an improvement plan by Office for Health Improvement and Disparities (OHID) due to not delivering the quality of service required.
- 3.3. Extending the current provider contract. This is not an option as we have already utilised all available extensions.

### **4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS**

- 4.1. This procurement process may involve TUPE transfer of staff from the current providers of services to another provider and consideration of staff anxieties and the risk of staff leaving is a primary and significant consideration. The current providers will be required, following this cabinet report, to fully engage and brief their staff of the forthcoming procurement and what this means for them.
- 4.2. As the drug and alcohol treatment service is customer facing and provides direct access to people, disruption to the services may impact on the community if changes to service provision are not well publicised. A communication plan will be developed as part of the commissioning and procurement process.
- 4.3. Consultation is being carried out with previous and current people accessing the service, key partners and stakeholders, the community and current providers of services.

### **5. FINANCIAL CONSIDERATIONS**

- 5.1. The proposal outlined within the report supports the Council's key financial objective to allocate financial resource to support delivery of the Council's and government priorities. Drug and alcohol treatment services are funded from the ring fenced Public Health Grant as part of the responsibilities that transferred to Councils from PCTs under the Health and Social Care Act 2012. As the proposal will be financed through existing assigned revenue budgets this contract is not expected to require any additional funding resources either revenue or capital. Any additional revenue funding would need to be met from the Public Health grant and re-allocation, with a potential impact on other services (however see Para 5.2 below). The proposal will contribute to improved value for money within the service.

- 5.2. Requirements within the tender documentation will include the approved maximum budget for the service, tenders will be rejected if they exceed the approved budget.
- 5.3. The service budget includes additional annual funding of £291,000 from the Police and Crime Commissioner (PCC). Discussions are underway to determine if this grant funding will continue. In order to remove contractual uncertainty, the service funded through the PCC contribution will be dealt with as a separate element, then if funding is not secured either in full or for part duration of the contract this will not cause contractual difficulties. If the funding is not secured for any part of the time-period in question, then this will result in the criminal justice element of service delivery ceasing.
- 5.4. The whole life value of the contract is £11,082,000. This does not include the annual additional funding from the PCC (as detailed in 5.3 above).

## **6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS**

- 6.1. As the drug and alcohol treatment service is fully integrated, the service will offer a substance use service for children and young people that is developed in line with local need and will have a positive effect on areas such as family relationships, parenting, safeguarding, etc.
- 6.2. Providing a quality children and young people's alcohol and drug treatment service provides a safe, responsible and effective transition pathway ensuring young people moving from youth-focused substance use support into adult support is done with safety as a top priority.
- 6.3. The service will also ensure the young person service is able to meet the demands for those requiring treatment whilst also engaging in prevention work to have a long-term impact for example, engaging with schools, youth services, and community organisations.

## **7. CLIMATE CHANGE, NATURE RECOVERY AND ENVIRONMENTAL IMPLICATIONS**

This will have no negative effect on the environment and could add to the continuing reduction of discarded clinical waste such as used syringes as individuals access help for their substance use needs.

## **8. CONSULTATION WITH SCRUTINY**

There has been no consultation with Scrutiny.

## **9. FINANCIAL IMPLICATIONS**

The costs associated with procuring a new substance use contract will be managed within the existing budget envelope which is funded by the Public Health Grant. Adverse variations in costs would also need to be met from the Public Health Grant to ensure no pressures on corporate budgets.

## **10. LEGAL IMPLICATIONS**

- 10.1. The Preliminary Market Consultation and the procurement exercise are governed by regulation. The Preliminary Market Consultation activity will enable the specification to be developed, in line with the appropriate contractual documentation. Such activity enables the seeking or accepting of advice from independent experts, authorities or from market participants providing it does not distort competition nor breach the requirements for non-discrimination and transparency. The contract is the key governing document through which the resulting relationship will be governed and Legal Services will complete the contractual documentation on award.
- 10.2. The procurement of an integrated substance misuse service provision within North East Lincolnshire is consistent with the stated aims and objectives of the Council underpinning its strategic objectives of Stronger Economy, Stronger Communities.
- 10.3. The procurement exercise will be conducted so as to comply with the Council's policy and legal obligations, specifically in compliance with the Council's Contract Procedure Rules and the Public Contracts Regulations and supported by relevant officers.
- 10.4. The delegations sought are consistent with an exercise of this nature.

## **11. HUMAN RESOURCES IMPLICATIONS**

There are no direct HR implications arising from the contents of this report.

## **12. WARD IMPLICATIONS**

Impacts on all wards across the Borough

## **13 BACKGROUND PAPERS**

[From harm to hope: A 10-year drugs plan to cut crime and save lives - GOV.UK Alcohol Strategy 2012](#)

## **14. CONTACT OFFICER(S)**

Sarah Lumley, Public Health Programme Manager (Substance Use)  
Public Health Team, Tel: 01472 326110, Email: sarah.lumley@nelincs.gov.uk

**Councillor Stan Shreeve**  
**Portfolio Holder for Health, Wellbeing and Adult Social Care**

NO RESTRICTIONS