

SUBSTANCE MISUSE & STOP SMOKING SERVICES

Cabinet Member & Portfolio	Cllr Jane Palmer, Cabinet Member for Health and Social Care
Responsible Officers	Sandra Taylor, Corporate Director of Adult Social Care and Health Sharon Stoltz, Director of Public Health
Report Author & Directorate	Nick Sinclair, Public Health Principal, Adult Social Care and Health Directorate
Papers with report	N/A

HEADLINES

Summary	This paper informs Cabinet that additional Government grant award funding will be received for the period 1 April 2026 - 31 March 2027 for such public health services. This paper seeks approval to spend this funding on provision of substance misuse services through a contract variation with the existing service provider.
Putting our Residents First Delivering on the Council Strategy 2022-2026	This report supports our ambition for residents / the Council of: Live active and healthy lives This report supports our commitments to residents of: Safe and Strong Communities It also supports: <ul style="list-style-type: none">• Joint Local Health & Wellbeing Strategy: 2026 – 2031 (draft)• From Harm to Hope: A 10-year drugs plan to cut crime and save lives¹• Stopping the Start: our new plan to create a smokefree generation²
Financial Cost	The substance misuse service is funded solely by the Public Health Grant which is a ringfenced Department of Health and Social Care (DHSC) grant payment given to all Local Authorities in England annually to support the provision of mandated and statutory public health provision. The grant award is provided by the Office for Health Improvement and Disparities (OHID) on behalf of the DHSC and grant conditions require it only be spent on public health remit. Therefore, there is no cost to the core council budget for the provision of this substance misuse support

¹ [From harm to hope: A 10-year drugs plan to cut crime and save lives - GOV.UK](#)

² [Stopping the start: our new plan to create a smokefree generation - GOV.UK](#)

	service as it is paid for solely from the ringfenced Public Health grant
Select Committee	Health and Social Care Select Committee
Ward(s)	N/A

RECOMMENDATIONS

That the Cabinet:

- 1) Note that the three-year 2026-2029 Public Health grant funding from Department of Health & Social Care is a ring-fenced budget that is only available to Local Authorities to spend on statutory and mandated public health services.
- 2) Note the Public Health Grant award conditions in relation to ringfenced spend for provision of statutory and mandated public health services and the benefits to Hillingdon Council that these services are funded by the Public Health Grant and do not draw on funds from core council budget.
- 3) For continued delivery of statutory substance misuse services funded by the Public Health grant, approve delegated authority for the Corporate Director of Adult Social Care and Health and Director of Public Health to develop delivery plans and commissioning arrangements for the ongoing utilisation of Public Health grant funded substance misuse service provision in line with grant condition requirements set out by Department of Health & Social Care and Office of Health Improvement and Disparities and to allocate contract variations up to a value of £525,000 over the period 1 April 2026 – 31 March 2029.
- 4) Agree to vary the current contract with Central and North West London NHS Trust for the provision of substance misuse treatment and recovery services for the period 1 April 2026 to 31 March 2029 to uplift the core contract for the agenda for a change salary increase by £81,843 pa and for a cost up to £245,529 for the period.
- 5) Approve continuation of Public Health Grant funding to the Hillingdon Youth Service offer for the continued provision of the SORTED young person's drug and alcohol provision arrangement to a value of up to £181,500 per year (at FY2025/26 level) to a total value of up to £557,864 for the period 1 April 2026 – 31 March 2029 (this include salary uplift costs on SORTED costs).

Reasons for recommendation(s)

1. Through public health contracts, the Council and partners provide a range of services relating to stopping smoking and substance misuse. These include: Drug & Alcohol Treatment and Recovery Services which aim to reduce harm such as ill health, reduced life chances, crime, and social isolation associated with addiction; Smoking Cessation and Tobacco Control Support to help residents quit smoking; Support for Children and Young People and those experiencing substance misuse risks or harms, and also Needs Assessment, Prevention, and System Development Work associated with this.
2. This paper informs Cabinet that additional Government grant award funding will be received for the period 1 April 2026 - 31 March 2027 for such public health services and seeks approval to spend this funding on provision of through a contract variation with the existing service provider (CNWL) and other related decisions.

Alternative options considered / risk management

3. Due to the grant award conditions of the Public Health Grant; the requirement from the Office of Health Improvement and Disparities (OHID) for the submission of a delivery plan for the provision of drug and alcohol and stop smoking support arrangements and the timeline for this – due by 13 March 2026; prior requirement from Cabinet from 11 January 2024 that for future years, any change or variation in contractual expenditure be authorised by the Cabinet and should be funded from existing public health grants, with no recourse to other Council funding sources. Cabinet also instructs officers to ensure this is determined and closely monitored through the budget monitoring and MTF process; and Public Health Department commissioning intentions to focus on maintaining current provision while developing need assessment and assessing service development requirements, no other options are considered suitable.
4. Doing nothing would not support the programme of work underway to enhance capacity and capability within the Public Health Department and is not considered suitable. This would also not enable a contract variation needed to reflect the change in contract value for Agenda for Change salary uplifts and a range of additional investment (to be determined in line with the drug and alcohol needs assessment findings).

Democratic compliance / previous authority

5. The original 5 plus 4-year core contract recommendation was presented at January 2024 Cabinet. Cabinet also decided that for future years, any change or variation in contractual expenditure on such matters should be authorised by the Cabinet and should be funded from existing public health grants, with no recourse to other Council funding sources. Cabinet also has previously instructed officers to ensure this is determined and closely monitored through the budget monitoring and MTF process. Hence this report is submitted to Cabinet for consideration.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

Grant Award Changes

6. For the financial year periods 1 April 2021 – 31 March 2025 the Supplemental Substance Misuse Treatment and Recovery Grant (SSMTRG) was provided to Local Authorities in England for the purpose of strengthening and improving local drug and alcohol treatment and recovery systems.
7. For the period 1 April 2025 – 31 March 2026 the various elements of the SSMTRG were consolidated and the award was renamed as the Drug and Alcohol Treatment and Recovery Improvement Grant (DATRIG). For the period 1 April 2026 – 31 March 2029, the grant will become embedded within the core Public Health Grant award provided to Local Authorities in England for the provision of statutory and mandated public health programmes.
8. The way that the DATRIG funding will change from 1 April 2026 means that grant conditions now align with Public Health Grant conditions and will enable funds to be managed over the full three period that this additional funding will be provided to cover. From the perspective of the Director of Public Health and the Public Health Department this is a positive change which will remove the restrictions of the supplementary grant arrangements under the SSMTRG and DATRIG grant conditions. These conditions required in-year spending only with a requirement to return unspent in-year funds back to OHID. The Public Health Grant conditions enable the grant to be spent over the course of the three-year period and to retain any underspend for the purpose of spending to enhance the provision of statutory substance misuse service provision.
9. Part of the requirements attached to the change in the way the DATRIG funding will be provided from 1 April 2026 are that even though the award will be embedded into the core Public Health - which is itself a ringfenced grant award for spend on the provision of statutory and mandated public health provision under the remit of the Director of Public Health – the DATRIG element of the Public Health grant award conditions ringfence this money for spend solely on drug and alcohol treatment and prevention activity.
10. An additional supplementary grant that has been paid to local authorities by OHID is the Local Stop Smoking Support and Services grant (LSSS&S). From 1 April 2026, this grant will also become embedded (with similar ringfence requirements as described for the DATRIG grant to ensure that it is spent on the provision of tobacco control and stop smoking support programmes).
11. The current service contract for the provision of substance misuse and stop-smoking services is held by Central and North West London NHS Foundation Service (CNWL) and provision of these two services are part of the same service offer which is currently funded by a mix of DATRIG, LSSS&S, and Public Health Grant funding. As of 1 April 2026, the services will continue to be funded but solely from the Public Health Grant.

Contract Arrangements & OHID Requirements

12. The current contract with CNWL is for the provision of drug and alcohol and stop smoking support services. This support is incorporated into a substance misuse treatment service contract which is contracted for a five –year period from 1 June 2024 until the 30 May 2029 with a four-year extension option until 30 May 2033.
13. The current DATRIG grant also funds the Youth Hillingdon Offer SORTED service to provide drug and alcohol support to children and young people.
14. OHID require the completion and submission of a three-year delivery plan to outline how the ringfenced elements of the Public Health Grant will be spent to support drug and alcohol and stop smoking service provision. This plan is required for submission to OHID by 13 March 2026 for review and approval of plans for the period 1 April 2026 – 31 March 2029. The Public Health Department are currently working on creating this plan which is required to be completed in consultation with local stakeholders and local Combatting Drug Partnership members.
15. Currently, due to a shared function arrangement with Hounslow Council ending on 8 August 2025, local capacity and local strategic planning ability connected to drug and alcohol and stop smoking delivery requires development. The shared arrangement saw joint commissioning and shared commissioning support arrangements between Hillingdon and Hounslow Council's with Hounslow leading which meant that governance structures and Combatting Drug Partnership arrangements were shaped around Hounslow Council structures, leaving a gap that is in the process of being filled within Hillingdon Council.

Public Health & Commissioning Intentions

16. The current CNWL service contract is performing well. Following investment from the SSMTRG, DATRIG, and LSSS&S grants over the last few years, the service is well-staffed and has achieved outcomes in line with OHID and national strategy objectives for drug and alcohol and smoking cessation, and in line with other London boroughs. Given recent capacity challenges within the Public Health Department and the ending of the shared arrangement with Hounslow as described above, there is ongoing work required to fully assess the performance of the current contract with CNWL and to review service structure, outcomes and objectives.
17. The new Director of Public Health is implementing a review and re-structure process to ensure capacity within the department is suitable to support its ability to comprehensively meet all public health duties. Alongside this and aided by the development of the OHID drug and alcohol and stop smoking support delivery plan as described above, the approach that is assessed to best support ongoing provision of drug and alcohol and stop smoking support is to:
 - a. Maintain the current delivery arrangements and level of funding for the CNWL drug and alcohol and stop smoking service for the 2026-2027 period while assessing need and developing local capacity and service design within this period where possible, and planning for developments to be incorporated into the delivery plan and commissioning arrangements for the 2027-2029 period. There are currently no

significant concerns about the performance of the service, although review and development of the current contract performance monitoring arrangements is required to provide further assurance. Any findings from ongoing performance monitoring, combined with a programme of work to refresh

- b. Invest resources and capacity to refresh and develop more in-depth understanding of the needs of local residents connected to drug, alcohol, and tobacco. Current assessment of need requires enhancement to better assess the needs of the local population in relation to drug use, particularly non-opiate drugs such as cocaine, cannabis, synthetic drugs and novel psychoactive substances; in relation to alcohol, smoking, and vaping.
 - c. Develop local commissioning, partnership, and system-wide approaches to enhance local treatment and prevention support offers. Within the delivery plan due for submission to OHID, there is a need to identify any programmes of work that will support local service delivery. Whilst need assessment work is required, there are some initial areas of provision where additional investment funded from Public Health reserves is being considered for spend within the 2026-2027 financial year. These include the potential development of service priorities and/or creation of new roles which might include, for example; hospital based drug and alcohol support workers to engage people with drug and alcohol attending hospital emergency, in-patient, and out-patient support into treatment support; conducting behavioural insight work to better understand the drug and alcohol treatment support needs for those cohorts of residents who are currently under-represented in treatment and who might not see a drug and alcohol service as suitable for them or their pattern of drug and alcohol use; development of stop-smoking service support offer to include quit vaping specific support; development of a local combatting drug partnership and drug related death review process; improvements to local pathways for referral and joint working between the drug and alcohol service and criminal justice; prevention focussed work; service promotion activity to help increase awareness of services, ways to access, and support offers available.
18. To support the development of changes described above, there is a need to conduct further needs assessment work, obtain approval from OHID of the proposed delivery plan, and pending contract variation where any additional funding is invested in the service or there are changes required from the provider in the structure of the service support offer. The commissioning intentions are to maintain the current level of funding in line with current contractual arrangements which will be funded from the Public Health Grant and where additional investment is assessed as necessary, this will be funded from reserves of the Public Health Grant.
19. To facilitate the additional costs of the approach described above to develop the service and local treatment system, an additional amount of up to £525,000 has been identified as potential spend from Public Health Grant reserves for the period 2026-2029.

Contract Variation

20. Local Authorities receive funds each year to support NHS Agenda for Change salary uplifts for staff who work under the NHS Agenda for Change contracts but are funded by local authority commissioning arrangements. The CNWL service currently employs staff under these terms and any annual pay increases under these terms are set by the government which Local Authorities are obligated to adhere to. For the current drug and alcohol and stop-smoking service, the Agenda for Change obligations will be £82,110. A contract variation to cover this additional funding will be required.
21. Following completion of the assessment work as described above, and submission of the delivery plan and its approval from OHID, other contract variations might be required where additional investment from the Public Health grant and/or Public Health Grant reserves is proposed. As described throughout this paper, the funding of the drug and alcohol and stop smoking support provision is from Public Health Grant awards and does not require any investment from the Council's core budget and as the Public Health Grant is a ringfenced award for the purpose of providing statutory and mandated public health services, it cannot be used for any other purposes.
22. This paper is presented to Cabinet due to a requirement stated within a previous cabinet paper from Director of Public Health dated 11 January 2024 that; Cabinet agrees that for future years, any change or variation in contractual expenditure be authorised by the Cabinet and should be funded from existing public health grants, with no recourse to other Council funding sources. Cabinet also instructs officers to ensure this is determined and closely monitored through the budget monitoring and MTF process.
23. This paper is submitted to Cabinet to seek approval of the recommendations to support the Corporate Director of Adult Social Care and Health, and the Director of Public Health to implement commissioning arrangements to support the ongoing provision of statutory drug and alcohol and stop smoking support services and service development requirements in line with needs assessments, Public Health Grant conditions, and service development needs.

Financial Implications

24. The current core contract value with CNWL is £ £3,108,201.89 per year and the current contract term is for a five–year period from 1 June 2024 until the 30 May 2029 with a four-year extension option until 30 May 2033 which is a total contract value of £27,973,817.01
25. The current (FY2025/26) funding to the Youth Hillingdon SORTED service for provision of drug and alcohol support to children and young people is £181,500 per year (£109,500 via DATRIG funding, £72,000 via Public Health Grant).
26. Both services are currently funded by the DATRIG grant and Public Health grant.

27. For the period 1 April 2026 – 31 March 2029, the Public Health grant allocation for the provision of drug and alcohol and stop-smoking support services has been released by OHID³ and is summarised in the table below:

	Public Health Grant TOTAL	Drug and Alcohol allocation	Smoking Cessation allocation
2026-2027	£23.4M	£5,074,992	£558,602
2027-2028	£23.8M	£5,116,657	£559,047
2028-2029	£24.3M	£5,184,364	£561,828
TOTAL	£71.5M	£15,376,013	£1,679,477

28. Any spend on the provision of drug and alcohol and stop-smoking service delivery contracts will be funded from Public Health allocations.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon Hillingdon residents, service users and communities?

29. Current needs assessment information for drug and alcohol and smoking rates shows that drug and alcohol addiction negatively affects lives of individuals and communities in a number of ways; personal addiction reduces life chances, lowers life expectancy, and is linked to crime, housing problems, mental health support needs, social relationship and family breakdown, anti-social behaviour and criminal activity, loss of employment / lack of employability, lost production and lost working days, acute and chronic health conditions, and death.
30. Tobacco addiction and smoking is the leading cause of preventable death in the United Kingdom. Access to support services to help people with drug, alcohol, and tobacco addiction can help people to overcome addictions and can reduce the negative effects of addictive behaviour on their lives and improve life chances.
31. A programme of work to update and refresh need assessment data, to complete an equality impact assessment, and to conduct behavioural insight work which will better inform service development activity, will be undertaken over the coming months.
32. The benefits to residents of effective addiction support services such as drug and alcohol and tobacco addiction services are seen in reduction of the number of instances of negative impacts of addiction as personal, social, and community.

Consultation & Engagement carried out (or required)

33. No formal consultation has been conducted as the current contract arrangement is proposed to be maintained with the option to invest further with objectives to better support

³ Allocations tables for all consolidated grants from 2026-2027 to 2028-2029 - GOV.UK

local need, increase access to support and to increase outcomes in line with local and national objectives.

34. The delivery plan for submission to OHID by 13 March 2026 is being developed with input from treatment provider services and local stakeholders. A programme of work to enhance local understanding of need will be part of the delivery plan and public health work programme with the intention that additional investment options will be made with full consideration of need and outcome objectives, and in consultation with local stakeholder partners and local residents.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate Finance have reviewed this report and concur with the Financial Implications set out above, noting the recommendations to seek approval to utilise the ring-fenced Public Health Grant to fund the continued delivery and development of statutory substance misuse and stop-smoking services, including contract variations to support delivery planning and commissioning arrangements, the uplift to the CNWL contract for Agenda for Change Salary Increases and the ongoing funding for the Hillingdon Youth Services for the provision of SORTED for the period 1 April 2026 to 31 March 2029.

Furthermore, it is noted that the proposed variation of up to £525k for the development of the delivery plans and commissioning arrangements will be funded from the Public Health Earmarked Reserve, which held a balance of £1,173k at Month 9. The contract variation with CNWL for the Agenda for Change Salary increases totalling £82k per annum, up to £246k over the three-year period, together with the continued funding to Hillingdon Youth Services for the provision of SORTED at £182k per annum, totalling £558k over the period, will be fully met from the Public Health Grant, therefore these commitments do not create any direct financial implications to the General Fund budgets either in-year or across the wider MTFS.

Additionally, it is noted the Public Health Grant is ring-fenced for mandated Public Health functions, allocations confirmed for 2026/27 to 2028/29 total £71.5m, including ring-fenced allocations of £15.4m for the substance misuse and £1.68m for smoking cessation. These allocation reflect the consolidation of the former Supplemental Misuse Treatment and Recovery Grant, the Drug and Alcohol Treatment and Recovery Grant, and the Local Stop Smoking Service Grant, all of which will be embedded within the Public Health Grant from 1 April 2026, which will remove the previous in-year spending restrictions and allow deployment of funding flexibly over the three-year period.

Legal

Legal Services confirms that the Council's Procurement & Contract Standing Orders allow Corporate Directors and Directors to exercise procurement and contract- management functions where authority has been expressly delegated through a Cabinet or Cabinet Member decision, provided that all actions comply with Standing Orders, financial regulations, and the Council's approved Scheme of Delegations. The continuation and variation the substance misuse services

are consistent with grant conditions, which require the Director of Public Health to ensure the grant is used for eligible substance misuse services.

The original procurement exercise was conducted in compliance with the Council's Procurement and Contract Standing Orders and the Public Contracts Regulations 2015. The proposed variations (as set out in the report) do not exceed 50% of the original contract value; and do not alter the overall nature of the contracts.

The Council's legal team will provide advice and assistance in respect of legal matters relating to subsequent grant agreements that will be required. Legal services therefore confirms that there are no legal implications in approving the recommendations set out in this report to ensure the Council continues to meet statutory responsibilities.

Procurement Comments

The recommendations within this report are compliant with the Public Contract Regulations 2015 which were in force at the time of the original contract award to Central and North West London NHS Trust.

The Lot 1 Contract awarded to Central and North West London NHS Trust permits variations which do not exceed 50% of the original contract value and that the variations of £525,000 and potential annual fee increases, do not alter the contract's scope. The original award was a forecasted value of £ 3,108,201.89 per annum and there is ample flexibility to vary the contract to include the required recommendations.

BACKGROUND PAPERS

[Cabinet decision – 11 January 2024 – Public Health Procurement](#)