

Decision to be made by the Portfolio Holder for Finance and Property on or after 16 December 2016

Residential Rehabilitation Facility – Addition to Capital Programme

Recommendations

That the Portfolio Holder for Finance and Property agrees that:

1. £545,000 of ring-fenced Public Health England capital grant for drug and alcohol recovery is added to the capital programme for Public Health.
2. A capital grant of £545,000 is paid to ESH Works Ltd for the Warwickshire Residential Rehabilitation facility on terms and conditions acceptable to the Strategic Director of Resources.

1.0 Key Issues

- 1.1 There are currently no residential rehabilitation facilities in Warwickshire. This facility will help the cost effectiveness of Warwickshire's treatment services by reducing the number of out of county placements and dovetails with the existing community treatment.
- 1.2 The current government initiative to address addiction in the UK is to move away from a costly substitute medication approach and move service users towards recovery using peer led support from people who have recovered from their own addiction.
- 1.3 As part of this initiative Public Health England is actively supporting peer led recovery, including the building of recovery communities. As part of Warwickshire's approach, ESH Works already provide ongoing peer led support for individuals. An integral part of this service initiative in Warwickshire is the provision of a peer led residential rehabilitation facility.
- 1.4 An individual's sustained recovery depends on building 'recovery capital'; this includes self-esteem, social skills, physical and mental health. Gaining employment and contributing again to society is essential in helping to re-build self-esteem.
- 1.5 The initiative at the heart of our residential rehabilitation centre is to assist and support clients to establish their own businesses. ESH will identify skills and realistic aspirations in a safe and monitored environment and where feasible we will support and guide clients through the process to establish their own small businesses, either self-employed or by establishing CICs/social enterprises.

1.6 The grant will greatly assist in the purchase of Warwickshire's first residential rehabilitation facility.

2 Funding

2.1 Warwickshire County Council supported ESH works in their submission of a bid for ring fenced capital funding from Public Health England (PHE) to enable Warwickshire to establish its own residential rehabilitation facility.

2.2 This bid was successful and £545,000 of capital funding has been paid to WCC as sponsor of the project, with the caveat that this is passed on to ESH Works Ltd.

2.3 WCC will transfer funding to ESH Works Ltd in the form of a grant. Monitoring of associated activity will be undertaken by Commissioners as part of regular contract performance reviews.

2.4 Should the project require further funding to be completed this will be funded from Public Health revenue budgets.

3 Proposal

3.1 A Capital Grant of £545,000 is paid to ESH Works Ltd to enable the purchase of a peer led residential rehabilitation facility, as outlined in the Grant Agreement between Public Health England and Warwickshire County Council.

3.2 Activity to purchase the property and its subsequent use will be monitored by drug and alcohol service commissioners and reported through internal governance structures.

Background Papers

None

| | Name | Contact Information |
|--------------------|--------------------|--|
| Report Author | Will Johnston | willjohnston@warwickshire.gov.uk |
| Head of Service | John Linnane | johnlinnane@warwickshire.gov.uk |
| Strategic Director | Monica Fogarty | monicafogarty@warwickshire.gov.uk |
| Portfolio Holder | Cllr Alan Cockburn | cllrcockburn@warwickshire.gov.uk |

Appendix

1. Grant Agreement (including Project Summary) between Public Health England and Warwickshire County Council

This report was circulated to the following elected members prior to publication.

Councillors Western, Dirveiks, N.Davies, Morris-Jones, Cockburn



DATED

10 February 2016

GRANT AGREEMENT

between

PUBLIC HEALTH ENGLAND

and

WARWICKSHIRE COUNTY COUNCIL

THIS Agreement is dated 10 February 2016

PARTIES

- (1) PUBLIC HEALTH ENGLAND, an executive agency of the Department of Health, whose principal address is at Wellington House, 133-155 Waterloo Road, London SE1 8UG (**PHE**).
- (2) Warwickshire County Council, whose principal address is at PO Box 43, Barrack Street, Warwick CV34 4SX (**Recipient**).

PROJECT TITLE: ESH COMMUNITY WORKS – RESIDENTIAL REHAB WARWICKSHIRE

PROJECT SUMMARY

The project will establish a peer led and supported residential rehab facility in Warwickshire, using ESH Works' experience and knowledge of recovery. We really want to help people who have lost their way and give them the peer support to show them how others have achieved sustained recovery.

Over the past five years ESH Works have been developing the skills of our network of trained volunteers and mentors to provide peer led support for people in recovery and their families. ESH Works are ideally positioned to capitalise on our experience to respond to the needs which were highlighted as part of our commissioned user involvement activities. The requirements reflect the needs of our service users, family members, other organisations and also the strategic commissioning approach to move the recovery community ethos forward in Warwickshire.

Proposal

The project will provide a local, low cost, peer supported, residential rehabilitation facility which will be an essential component of the local recovery capital available in Warwickshire, providing a solid base and a focal point to continue to build our recovery community. The rehab placements and support for families will also be available for the benefit of other local authorities countrywide.

"Establishing a peer led and supported residential rehab facility in Warwickshire using ESH's knowledge of recovery and their existing network of volunteers and mentors is the next stage in the development of their peer support. The facility would become the active focal point for the Drug and Alcohol recovery community in Warwickshire."

Chris White MP

We have requested PHE capital investment of £385,000 to assist in the purchase of a property to be used as a residential rehab facility – there is currently no such facility in or close to Warwickshire. We suspect that the relatively high cost of property in Warwickshire has been a significant factor in preventing organisations establishing a local residential rehab facility. ESH Works are now in a position to invest in a property up to the value of £700,000, which will provide accommodation with a cost effective number of beds to support a sustainable business proposition.

Based on the assumption that we obtain this PHE capital investment, ESH Works has already secured an additional external commercial loan of up to £195,000 from our bank (HSBC). We will also contribute £180,000 equity from an existing property which will be sold to complete the new property purchase.

We have secured further additional funding of £44,000 to start the development of the rehab rolling programme of activities and to support the programme delivery in the first year, when the potential occupation will not be at full capacity. See also the matching funding section below for more detail.

Principles of Recovery

Peer support and the powerful effect of one addict in recovery supporting another is without parallel and the 'success' rate of sustained recovery can be as high as 80%; without that support, there is an 80% failure rate. This concept of one addict helping another and the ethos of 'Helping people to help people' are the basis of ESH Works and everything we do.

The facility will provide an eclectic mix and range of interventions and treatment, designed to directly support recovery by utilising the existing support that ESH Works currently provides, including:

- A rolling programme of structured education
- Anger management, relapse prevention, mindfulness and therapy group sessions
- 1-2-1 counselling by experienced counsellors who are in recovery
- Close links with AA/NA/CA fellowships and transport to meetings
- SMART Recovery sessions (we're currently the only providers in Warwickshire)
- 1-2-1 mentoring from our experienced mentors as part of our Mentoring and Befriending Foundation accredited mentoring scheme
- Acupuncture sessions
- Participation in our award winning allotment programme
- Regular walking groups in partnership with the Pathways church led addiction support programme and other volunteering opportunities such as the Leamington Foundry Wood activities

We know from our many years of experience in addiction that people who want to move forward in their recovery need to change. We will assess all potential residents on their willingness and acceptance to embrace change at a face to face interview and assessment. We feel this can only be done successfully by an experienced worker who has been through addiction themselves and who can identify if a person really has that commitment – if they are not ready to change the whole process will not work.

The facility will be a single site where the accommodation, education, activities and support are provided with 24/7 on-site support. There will be 8-10 residents which we and our service users believe is an optimum number to provide the correct environment for 'rub-off recovery' and the sharing of experiences. The residential stay will be based on a 12 week programme of support which could be extended for a further 12 weeks if required and funding was available. A consultant psychiatrist has been engaged to provide clinical support where required.

The primary referrer would be the lead service provider in Warwickshire in conjunction with the local commissioner. Out of county referrals could also be accepted, along with self-funding referrals as an additional revenue stream, if places were available.

The whole programme is designed to promote and educate people regarding sustained abstinence based recovery. A key element of the programme is that it is delivered by peers and professionals who are in strong recovery and can also pass on their own experience, strength

and hope. By providing this opportunity for volunteers and mentors this also helps them with their own recovery.

See the financial benefits of sustained recovery in the attached document 'ESH Community Works - Warwickshire Addiction Support VFM.pdf'

Addressing the needs

The following sections highlight how the project will address the needs documented in Section 1.4 Strategic approach to consultation, need and provision.

Warwickshire rehab and focal Point

This business proposal delivers a cost effective, peer supported rehab solution in the local geography, which has the direct benefit of acting as a focal point to continue the development of a robust locally supported recovery community in Warwickshire. This has proved difficult to achieve in the past due to the large geographic nature of Warwickshire and the cost of property.

Aftercare and sustained recovery

This residential rehab facility is important for Warwickshire, particularly for aftercare and the provision of ongoing peer led mutual support, which would be based out of the central facility in order to improve the available recovery capital in the county. This residential rehab will be an essential component of the overall service delivery in Warwickshire, particularly as it will be managed and supported by staff and volunteers who have experienced recovery.

Family Support

A key element of the proposal is an initiative to provide education and guidance to families of people who are in the rehab facility. By doing this separately but in parallel with the resident's stay in rehab, we will be educating and preparing families to understand addiction and to help them support the client's sustained recovery when they leave the rehab facility.

Recovery is all about change for the person in addiction. By assisting the families to understand and deal with the client's changing approach to life, we will actually be supporting their sustained recovery. ESH Works has a wealth of experience supporting families and individuals and we believe this will be a significant factor in helping our residents to maintain their recovery when they leave rehab.

"ESH helped my brother and I get into a three month rehab, with advice, support and knowledge. While he was in and when he came out I was given continual support and follow up checks to make sure I was doing well. This is huge, as one often feels so alone in this situation". From a grateful sister of an addict

Employment and employability

We're very aware of the difficulties that people in recovery face trying to get employment. A key initiative as part of this residential rehab project is to take an alternative approach to some of these employment issues. We have agreed a working partnership with Coventry and Warwickshire Community Development Association (CWCD) to support our unique solution to help residents look at their aspirations, capabilities and to potentially give them the opportunity to start their own new business initiatives. This is building on the principle that when anyone has a passion for something they are fully committed and engaged, and even more so when this is tied into their own futures.

We are currently investigating seed funding opportunities with major banks to support this initiative.

This initiative would have the effect of getting the clients into self-employment or employed within their own small social enterprise businesses. CWCD will run weekly workshops to support and educate residents into employment. We believe that if these clients are supported during and

after the rehab placement with correct and structured advice, we can help them harness their aspirations, enthusiasm and previous skills. See attached letter of support and working partnership from Coventry and Warwickshire Development Association 'ESH Works Rehab CWCDA Letter of Support.pdf'

Safe, Secure and Supported move on accommodation

We are already working closely with the local housing providers to prepare them for the introduction of the local rehab facility and the natural fit it would have in the new strategic model of provision for Housing Related Support. By establishing the residential rehab facility in Warwickshire, we would meet the requirements of the housing providers by providing a regular succession of clients requiring safe, secure and supported accommodation in sufficient numbers. This enables them to reserve designated accommodation that is able to meet the needs of this vulnerable group and to ensure that they do not become further marginalised by society, which is a key component to sustain recovery and re-integrate back into society.

Partnerships and other organisations

We have long standing direct links with all the local mutual support and fellowship organisations AA/NA/CA etc. who run meetings at our locations and are all fully aware and supportive of our plans for the rehab facility.

We have agreed working partnerships with several other organisations including the lead drugs and alcohol service provider 'Addaction's Recovery Partnership', Springfield MIND Mental Health, Salvation Army Way Ahead Project and Coventry and Warwickshire Community Development Association (CWCDA), who have all provided letters support. (See the attached letters of support)

Business Plan

There is no issue with ongoing staffing and operational costs as there is a sustainable revenue stream from rehab placements. The business plan is based on a conservative figure of 75% occupation on the minimum configuration of 8 beds. There is obviously opportunity to increase the percentage occupation and the number of actual available beds places with suitable accommodation.

The ESH Community Works business plan is based on 8-10 resident places. The overall cost effectiveness of the project will be achieved partially due to the reduced accommodation costs because of the PHE capital grant contribution to the purchase. Running costs and overheads would also be minimised because the solution is supported by peer mentors and volunteers.

See the section 1.6 below regarding evidence of revenue sustainability, the attached PHE finance template 'ESH Community Works - PHE Finance Plan.xls' and the separate 'ESH Community Works - Rehab Two Year Finance Plan.pdf'

VALUE OF GRANT: £545,000

KEY PERFORMANCE INDICATORS:

- Increase in utilisation from August 16 to March 17, approximately 60% in first year; planned occupancy of 75%

TYPE OF GRANT: Capital

ANNEX A

Grant Conditions

1. Grant paid to a local authority under this determination may be used only for the purposes that a capital receipt may be used for in accordance with regulations made under Section 11 of the Local Government Act 2003.

2. The Chief Executive and Chief Financial Officer of each of the recipient authorities are required to sign and return to the team leader of the Drug and Alcohol Division of the Health and Wellbeing Directorate a declaration to be received no later than 30/09/2016 (6 month declaration) and 31/03/2017 (12 month declaration) in the following terms:

"The total grant amount of £_____ has been/is intended to be used* (**delete as appropriate*) exclusively for the project set out in the agreement between Warwickshire County Council and Public Health England, dated 10 February, 2016. To the best of our knowledge and belief, and having carried out appropriate investigations and checks, in our opinion, in all significant respects, the conditions attached to the Capital Funding to Support Drug and Alcohol Recovery Centres Grant Determination No 31/2639 have been complied with."

3. If an authority fails to comply with any of the conditions and requirements of paragraphs 1 and 2, the Minister of State may:
 - a. Reduce, suspend or withhold grant; or
 - b. By notification in writing to the authority, require the repayment of the whole or any part of the grant.

4. Any sum notified by the Minister of State under paragraph 3(b) shall immediately become repayable to the Minister

Signed by PUBLIC HEALTH ENGLAND,
an executive agency of the Department of
Health



Authorised Signatory

PRINT NAME:

Michael Brodie

DATE

10/02/16.....

POSITION:

Finance & Commercial Director

Signed by the LOCAL AUTHORITY
(Grant Recipient)



Authorised Signatory

PRINT NAME:

JOHN BETTS.....

DATE

19/02/16.....

POSITION:

HEAD OF FINANCE.....

