

## Slough Borough Council

<b>Report To:</b>	<b>Cabinet</b>
<b>Date:</b>	16 <sup>th</sup> March 2026
<b>Subject:</b>	Individual Placement Support – Substance Use (IPS-SU) Grant
<b>Lead Member:</b>	Councillor Ishrat Shah – Lead Member for Public Health, Wellbeing and Equalities
<b>Chief Officer:</b>	Tessa Lindfield, Director of Public Health & Public Protection
<b>Contact Officer:</b>	Vanita Dutta, Public Health Principal
<b>Ward(s):</b>	All
<b>Purpose of report:</b>	For decision
<b>Key Decision:</b>	YES
<b>Exempt:</b>	NO
<b>Decision Subject To Call In:</b>	YES
<b>Appendices:</b>	N/A

### 1. Summary and Recommendations

- 1.1 This report provides an update on the Individual Placement Support-Substance Use (IPS-SU) programme, following confirmation of national funding allocations for a further three-year period from 1 April 2026 to 31 March 2029.
- 1.2 IPS-SU is an evidence-based employment support model integrated within substance misuse treatment services, supporting individuals in structured treatment to access and sustain paid employment as part of their rehabilitation and recovery. Slough Borough Council is the lead authority for the Berkshire IPS-SU programme.
- 1.3 Funding has been confirmed by the Department of Health and Social Care (via OHID) as follows:

<b>Financial Year</b>	<b>Allocation (£)</b>
2026/27	435,755
2027/28	448,032
2028/29	461,305
<b>Total</b>	<b>1,345,092</b>

- 1.4 The current IPS-SU delivery contract with **Change Grow Live (CGL)** ends on 31<sup>st</sup> March 2026 and includes provision for 2 years extension.

## **Recommendations:**

Cabinet is recommended to:

1. **Approve acceptance of IPS-SU funding** from the Department of Health and Social Care (via OHID) for the period 1 April 2026 to 31 March 2029, totalling £1,345,092 to fund the commissioning and delivery cost of the IPS SU programme.
2. **Approve the extension of the existing IPS-SU contract** with Change Grow Live to cover the two-year extension period, with contract values of £348,781 in 2026/27 and £366,220 in 2027/28.
3. **Delegate authority** to the Director of Public Health and Public Protection, in consultation with the Lead Member for Public Health, Wellbeing and Equalities, to finalise and execute the contract extension and contract award, and complete all necessary grant and contractual documentation.

## **Reason:**

IPS-SU funding is nationally ring-fenced and must be used solely for the delivery of employment support integrated within substance misuse treatment services. Acceptance of this funding enables Slough Borough Council to continue delivering a core element of the national drug strategy 'From Harm to Hope' and to meet grant conditions relating to treatment outcomes, recovery and employment.

The existing provider, Change Grow Live, is delivering IPS-SU as part of an integrated treatment system and is performing in line with national IPS fidelity expectations. Extending the existing contract provides continuity of service, minimises disruption to a highly vulnerable cohort, and represents the most efficient and proportionate approach.

## **Commissioner Review**

This report is outside the scope for pre-publication commissioner review; please check the [Commissioners' instruction 5 to CLT to sign off papers](#) for further details.

## **2. Report**

### **2.1 Background:**

- 2.1.1 Although Berkshire performs relatively well on headline labour market indicators, NOMIS, 2021 and local labour market data show that this masks significant inequalities for people experiencing multiple disadvantage, particularly those with long-term health conditions and substance misuse issues. National Drug Treatment Monitoring System (NDTMS) data indicate that only a small minority of people entering structured drug and alcohol treatment are in paid employment, and that individuals who are unemployed at treatment entry are significantly less likely to achieve sustained recovery without targeted employment support.

- 2.1.2 **Individual Placement and Support (IPS)** is an evidence-based, internationally recognised model of employment support designed to help people with complex health and social needs to access and sustain paid employment. Unlike traditional employability programmes, IPS is fully integrated within clinical and treatment services, with employment support delivered alongside recovery planning and continuing once an individual enters work.
- 2.1.3 **IPS for Substance Use (IPS-SU)** applies the IPS model within community drug and alcohol treatment services, recognising employment as a key protective factor in recovery. IPS-SU employment specialists work alongside clinicians, recovery workers and keyworkers, ensuring that employment goals are embedded within treatment pathways rather than addressed as a separate intervention.
- 2.1.4 IPS-SU forms a core component of the national drug strategy 'From Harm to Hope (2021)'. National funding was first introduced in April 2024 for an initial two-year period (2024–2026), provided by the Department of Health and Social Care via the Office for Health Improvement and Disparities (OHID) under Section 31 of the Local Government Act 2003, and subject to national assurance, fidelity and reporting requirements.
- 2.1.5 In March 2024, Cabinet approved acceptance of the initial IPS-SU grant and agreed that Slough Borough Council would act as lead authority for the Berkshire IPS-SU consortium. Delivery is commissioned through Change Grow Live (CGL) as the specialist employment support provider, with CGL employment specialists embedded within and working in partnership with existing substance misuse treatment providers across Berkshire. This ensures consistent delivery, alignment with clinical pathways and efficient use of specialist workforce capacity across the system.

## 2.2 Funding Context:

- 2.2.1 From April 2026, IPS-SU funding forms part of the ring-fenced drug and alcohol allocation within the Public Health Grant, requiring local authorities to maintain investment in evidence-based treatment and recovery interventions, including employment support, and to meet national assurance and outcomes monitoring requirements.
- 2.2.2 The current IPS-SU contract with Change Grow Live (CGL) expires in March 2026 but includes provision for a two-year extension. Continuation of the service beyond this point is critical to maintaining recovery outcomes, workforce stability and value for money, as IPS-SU is now an established and expected component of the national drug and alcohol treatment system.
- 2.2.3 Confirmed funding for 2026/27, 2027/28 and 2028/29 provides the opportunity to move from short-term programme delivery to more stable, medium-term planning. This will be supported by the proposed extension of the CGL contract, with values of £348781 in 2026/27 and £366220 in 2027/28 and SBC continue acting as the lead commissioner for Berkshire consortium. This will ensure continuity for service users, support workforce stability and enable Berkshire partners, including Slough, to continue addressing labour market inequalities among people in treatment, without creating unfunded liabilities for the Council.
- 2.2.4 Recent HMRC guidance on VAT for welfare service providers is expected to result in an estimated increase of around 3% in service delivery costs for CGL,

due to the loss of VAT recovery. The annual funding uplift of approximately 3% is therefore expected to absorb this increase, mitigating financial risk and supporting continuity of service delivery, without creating additional financial pressure on the Council or requiring further contract variation beyond the agreed extension arrangements.

### 2.3 Options considered

Option	Pros	Cons (including key risks)	Reasons why/why not recommended
Do not use the funding	No contractual change required	Loss of IPS-SU provision; breach of national expectations; increased risk of relapse, unemployment and poorer recovery outcomes	<b>Not recommended</b> – would result in loss of ring-fenced funding and withdrawal of an evidence-based intervention that supports recovery, employment and reduced health inequalities across Berkshire.
Deliver services in-house	Greater direct control over delivery	Slough Borough Council does not currently have the capacity, specialist expertise or infrastructure to deliver IPS-SU; significant recruitment risk	<b>Not recommended</b> – not viable within existing staffing and resource constraints.
Undertake a comprehensive procurement process	Opportunity to test the market and explore alternative delivery models	Requires significant commissioner and workforce capacity; high risk of service disruption due to mobilisation and transition delays	<b>Not recommended</b> – the current IPS-SU service took approximately 18 months to mobilise and re-procurement risks a gap in provision.
Extend the existing CGL contract  <b>Recommended option</b>	Continuity of service; value for money; alignment with confirmed funding; minimal disruption to service users	Requires ongoing workforce capacity and contract management	<b>Recommended option</b> – the current provider is well integrated with substance misuse services across Berkshire, is delivering good performance and meeting all contractual KPIs, and extension represents the most proportionate and low-risk approach.

### 3. Implications of the Recommendation

#### 3.1 Financial implications

3.1.1 The report sets out the planned use of the Individual Placement Support Substance programme, following confirmation of the Public Health Grant funding from Department of Health and Social Care (DHSC) for 2026/27 to 2028/29.

3.1.2 The grant funding is ringfenced to improve Drug and Alcohol prevention, treatment and recovery delivery and associated outcomes for Slough. The recommended option will not incur any additional cost to Slough as the scheme is fully funded from the grant. Likewise, this option will not provide any cost savings to Slough as the programme is fully funded from the ring-fenced grant. Without this extension, the programme will cease and the ringfenced funding will not be utilised.

#### 3.2 Legal implications

3.2.1 The total IPS-SU funding from the Department of Health and Social Care (via OHID) to the Council is £1,345,092, for the period 1 April 2026 to 31 March 2029, to fund the commissioning and delivery cost of the IPS SU programme. The receipt of grant funding is outside of the scope of the Council's Contract Procedure Rules (CPRs). However, Council officers should always ensure the grant terms and conditions are complied with, and that the principles of openness and fairness, non-discrimination, compliance with the public sector equality duty and value for money are applied.

3.2.2 The current IPS-SU contract with Change Grow Live commenced on 2 September 2024. The initial term of the contract expires on 31 March 2026. The contract provides for the Council to extend beyond the initial term by a maximum of two years. The contract values for the two-year extension period are £348,781 in 2026/27 and £366,220 in 2027/28. The CPRs state that contracts that have been originally advertised with extension options and which contain clear extension options can be extended beyond their original term subject to approval by the Scheme of Delegation.

3.2.3 The total value of the proposed 12 month IPS-SU contract for the period 2028/29 is £384,531. A procurement process will be undertaken prior to contract award in compliance with the CPRs and the Health Care Services (Provider Selection Regime) Regulations 2023. The CPRs state that, for contracts with a value of £214,904 to £499,999, authority to procure must be obtained through Cabinet prior to any tender activity starting. Authorisation to commence procurement and award contracts may be delegated to Executive Director in accordance with the Scheme of Delegation.

#### 3.3 Risk management implications

Risk	Description	Probability	Severity	Mitigating actions
Uncertainty of longer-term funding	IPS-SU funding was first introduced in 2024 and initially confirmed for a two-year period. As with other drug and alcohol grants, this creates challenges for longer-term service and	Moderate	Low	There is a clear national commitment to embedding employment support within substance misuse treatment. Confirmation of funding for three years, providing

	workforce planning. Funding has now been confirmed for next three years until 2028/29			improved medium-term planning certainty
Service disruption	Failure to extend the existing contract could result in a break in IPS-SU delivery, impacting service users and treatment outcomes.	Low	High	Contract extension provisions will be enacted to ensure continuity of service and uninterrupted delivery.
Workforce instability	Uncertainty over contract duration may lead to loss of trained IPS-SU staff and reduced service capacity.	Moderate	Moderate	Extending the contract enables retention of trained specialist staff and supports workforce stability.

### 3.4 *Environmental implications*

There are no significant adverse environmental implications arising from this decision. The IPS-SU model is delivered through community-based services and does not involve additional estate requirements or capital works. Employment specialists are embedded within existing treatment services, reducing the need for additional travel. Where possible, staff are recruited locally across Berkshire, minimising commuting distances and associated carbon emissions. The programme also supports individuals into sustainable employment, which can contribute indirectly to improved environmental behaviours and reduced reliance on public services.

### 3.5 *Equality implications*

IPS-SU has a positive impact on equality and health inequalities. People accessing drug and alcohol treatment services are more likely to experience multiple forms of disadvantage, including long-term health conditions, disability, mental ill health, unemployment, and contact with the criminal justice system. These groups are protected under the Equality Act 2010 and are often underrepresented in the labour market.

The IPS-SU model is evidence-based and designed to improve access to paid employment for people facing significant barriers, supporting the Council's Public Sector Equality Duty by advancing equality of opportunity and reducing disadvantage. Delivery is personalised, culturally sensitive and embedded within treatment pathways, ensuring that support is accessible and responsive to individual needs across Berkshire, including in Slough.

### 3.6 *Corporate Parenting Implications*

*None*

### 3.7 *Procurement implications*

The current contract which commenced on 2<sup>nd</sup> September 2024 and is due to expire on 31<sup>st</sup> March 2026 was procured via an Open Tender process under The Public Contracts Regulations 2015 (PCR 2015). Rule 16.1 of the councils Contract Procedure Rules (CPRs) states that contracts that have been originally advertised with extension options

and which contain clear extension options can be extended beyond their original term subject to approval by the Scheme of Delegation. This is a permitted extension, and this report seeks approval to enter the extension period.

### **3.8**    *Workforce implications*

The IPS-SU service is lead and coordinated by SBC officers and delivered by a specialist workforce employed by the commissioned provider. IPS SU grant covers both these elements. Extending the existing contracts in line with confirmed funding supports workforce stability, continuity of care and service quality.

Failure to extend the contract could result in workforce instability and potential redundancy costs, as well as loss of experienced staff and disruption to service users. The proposed approach mitigates these risks and ensures that workforce arrangements remain aligned with funding availability and service demand.

### **3.9**    *Property implications*

There are no additional property implications arising from this decision. IPS-SU delivery is embedded within existing substance misuse treatment services and operates from current approved premises. The extension of the contract does not require new accommodation, changes to existing leases, or additional capital investment by the Council.

## **4.     Background Papers**

None