



Leicester
City Council

WARDS AFFECTED
ALL

FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:

Cabinet

30th March 2009

Section 75 Agreement Substance Misuse Pooled Treatment Budget

1. Purpose of Report

- 1.1 This report outlines the changes in the hosting arrangements of the Pooled Treatment Budget (PTB) which is administered by the Department of Health and makes recommendations for the future management of this funding stream. In 2009-2010 the PTB allocation for Leicester City is £3,079,769 for adults services and £182,038 for young people.

2. Summary

- 2.1 Adopting the National Health Service Act (2006) flexibilities under Section 75 it is proposed that Leicester City Council shall exercise a lead commissioning role on behalf of the wider partnership. Therefore, with effect from April 2009 Leicester City Council shall become the accountable body for the PTB. This arrangement will need to be sanctioned by Cabinet and communicated to the NHS Regional Office as part of the notification process.

3. Recommendations (or OPTIONS)

- 3.1 That the agreement of Cabinet be sought for the adoption of the lead commissioning responsibility by Leicester City Council.

4. Report

Background

- 4.1 The Drug and Alcohol Action Team is a local partnership that combines representation from Leicester City Council Adults and Housing, NHS Leicester Primary Care Trust, Probation, Prisons Service and the provider sector in order to deliver the aims of the National Drugs Strategy. There is a joint responsibility on the council and the PCT to deliver on the successful implementation of the PSA 25 target, National Indicator 40, in terms of the proportion of individuals in effective treatment, which is part of the LCC's Local Area Agreement and the PCTs Vital Signs framework.

- 4.2 The DAAT is formally accountable to central government and has a responsibility to produce Adults and Young Persons Treatment Plans annually. These plans must support the aim of the National Drug Strategy to reduce the harm that drugs cause to communities, individuals and their families and contain the planned investment of the PTB.
- 4.3 Since the inception of Leicester DAAT in 2001 the PTB has been banked on its behalf by the Melton Rutland Harborough and then the Leicestershire County and Rutland Primary Care Trust as part of a sub regional partnership arrangement with Leicestershire and Rutland DAATs designed to pool their respective contributions into one pot to maximise commissioning power.
- 4.4 The Crime and Disorder Act, 1998 placed a statutory duty on the council, police authorities, fire authorities and primary care trust to develop and implement strategies to tackle crime and disorder and the misuse of drugs in their area. These strategies are expected to align with national plans, including the National Drug Strategy. The Home Office issued advice to DAATs working within Unitary Authorities to integrate with their Crime and Disorder Partnership to galvanise local response.
- 4.5 With the separation of Leicester City DAAT from the sub regional partnership in October 2008 there is now an opportunity for the city council to work more closely with NHS Leicester PCT to ensure that the health and social care needs of this client group are comprehensively met.

Pooled Treatment Budget

- 4.6 The Comprehensive Spending Review 2000 identified additional funding for the expansion of drug treatment services. These funds are disbursed to Primary Care Trusts on behalf of drug action teams in the form of a PTB. This pooled budget can only be used with the full agreement of the DAAT and towards the purchase of specialist drug treatment services, including advice and information, needle exchange, community based prescribing, structured psycho social interventions, structured day programmes and inpatient detoxification. Other agencies represented on the DAAT will have existing investments in drug treatment from budgets that sit outside the pooled budget arrangements and are carefully monitored by the National Treatment Agency.
- 4.7 Up to now the primary care trust has been the accountable body for banking and responsible for overseeing the manner in which the PTB is utilised. With effect from 1st April 2009 this responsibility will transfer to Leicester City Council and for that to happen there needs to be a Section 75 Agreement in place.

Section 75 Agreement

- 4.8 The National Health Service Act (2006) set out the basis on which local authorities and primary care trusts could collaborate for a common purpose. Section 75 of this act enables both bodies to pool budgets in order to promote a coherent and unified approach to joint commissioning. By this agreement the budgets for each service area will be managed by a single lead commissioner identified by the partners, in this case the DAAT Commissioning Manager, who shall use the funds to commission services in line with agreed objectives and account for expenditure on behalf of both partners.

- 4.9 If approved, this Agreement does not alter any of the statutory powers or responsibilities of either partner or limit or remove their ability to operate them. It will be vital however for the council and the PCT to put in place a rigorous and all encompassing communication, consultation and governance structure. Comprehensive monitoring and performance management arrangements shall be put in place that assure partners that their shared aims are being fulfilled.
- 4.10 An initial meeting has already taken place between the Chief Finance Officer of LCC and the Director of Finance at NHS Leicester PCT where agreement was secured to establish this approach to joint commissioning.

5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS

5.1. Financial Implications

The governance arrangements within the Section 75 Agreement will set out the respective contributions of each partner and mechanisms for managing the impact of potential reductions in future settlements. The new hosting arrangements have no effect on Leicester City Council’s Base Budget.

5.2 Legal Implications

The NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 have been made in relation to the establishment of pooled budget arrangements. The regulations specify what respective functions of the PCT and the Local Authority can be subject to such arrangements and set out certain matters that must be complied with. In particular there must be an agreement in writing covering prescribed matters. In particular this will include the financial management of the fund and the contributions of the parties. The Council will be responsible for accounts and for arranging the audit of the pooled fund The Council will be required to accept delegation arrangement from the PCT as to the management of the pool.

Joanna Bunting x 29 6450

6. Consultations

- 6.1 This approach has been agreed in consultation with the Chief Finance Officer of LCC and the Director of Finance at NHS Leicester PCT.

7. Report Author

Ashok Chotalia
 Commissioning Manager
 Leicester Drug and Alcohol Action Team
 Ext 29 6670

Key Decision	No
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Reason	N/A
Appeared in Forward Plan	N/A
Executive or Council Decision	Executive (Cabinet)