NHS

National Treatment Agency for Substance Misuse

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To:
Drug Partnership Chairs
Joint Commissioning Group Chairs
Joint Commissioning Managers
DAT Coordinators

11th February 2011

Dear Colleagues,

Gateway approval ref 15577

One Pot, one purpose – Recovery funding for 2011-12

2011-12 is a key year of transition for the delivery of drug treatment and interventions. The new Drug Strategy sets out a radical step change in ambition for individuals and their recovery. The 2011-12 funding settlement and the business plan that will underpin it provides significant resource to deliver on the Coalition Government's priority for recovery. It will also help manage changes, include the shift of drug resources to local government, the instigation of Public Health England and the introduction of Police and Crime Commissioners.

The new Drug Strategy makes clear that from April 2011 the Department of Health's (DH) focus will be on promoting recovery and DH is responsible for funding all drug treatment in prison and the community. In addition, DH will support the Home Office in jointly funding a continuing programme to ensure drug-related offenders get access to treatment in order to continue to deliver reductions in drug related offending.

This represents a welcome extension to the principle originally enshrined in the Pooled Treatment Budget (PTB) and provides an opportunity to ensure that all individuals in treatment (including offenders) benefit from co-ordinated support along the full course of their recovery journey. It is a major step towards achieving "one pot for one purpose."

As announced in December, the core of the package remains the Pooled Treatment Budget (PTB), which will continue at £406.7m next year. This covers £381.3m for adult drug treatment and has now remained broadly stable for several years, enabling commissioners to plan ahead and commission recovery focussed systems with confidence.

The national young people's PTB funding allocation for 2011-12 remains at the 2010-11 level of £25.4m. These partnership allocations will complete the implementation of the fairer funding formula announced in October 2009, and will be the same as the illustrative allocations announced at that time.

The £60m provided by DH to ensure offenders get access to services has been allocated according to the existing DIP formula but will be distributed through the PTB mechanism, supplementing the £35m supplied direct to partnerships by the Home Office. This £95m investment is slightly less than the amount provided by the Drug Interventions Programme last year, but when combined with a PTB that has remained flat in cash terms, the overall sum of £501.7m now available for community provision represents a modest decrease of less than 2 per cent.

In addition, I can confirm that the amount that will be made available for drug treatment and interventions in English prisons in 2011-12 will remain the same. Partnership level allocations will be announced shortly and will be allocated via the Strategic Health Authority bundle. This will cover funding for both the clinical and non-clinical treatment programmes in prisons. The transfer to local partnerships of commissioning responsibility for all prison interventions represents an opportunity for all areas to make the most of the pooled funding arrangements in order to jointly commission local recovery services.

As my previous letter made clear, taken as a whole, this investment is a substantial commitment by central government at a time when all budgets are being squeezed and many publicly-funded programmes are being significantly reduced. It represents a more generous settlement for drugs than many in the field might have anticipated in the current economic climate. Most importantly, I believe the sum is sufficient to enable the field to deliver the transformative change set out in the Drug Strategy and ensure 2011-12 is the year of transition to a recovery-focussed system. In responding to locally determined need for specific groups (e.g. families with multiple needs), partnerships may align funding in order to deliver treatment services in a more flexible and effective way.

The biggest threat to those ambitions is the potential for local disinvestment. With the impending abolition of PCTs and severe budgetary pressures on local authorities, there is legitimate concern across the treatment field that the vital funding provided from local sources will be squeezed. I believe this would be a grave mistake, and is clearly not what the Government's Drugs Strategy aims for, nor what local Health and Wellbeing boards and Police and Crime Commissioners would wish to inherit.

To incentivise local systems to become more recovery focused, The Government proposes to develop an additional element for introduction to the PTB formula for next year. This will reward partnerships for the number of individuals successfully completing treatment in each locality. We envisage this new element will be applied in the 2012-13 allocations, based on the completion outcomes delivered by individual partnerships in 2011-12. This will directly incentivise partnerships to deliver a more recovery orientated service.

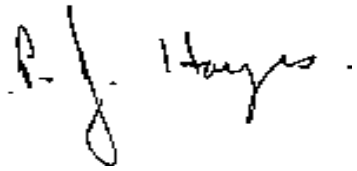
With any funding formula there will be winners and losers. NTA local support teams will provide assistance where savings need to be absorbed and prison drug treatment services need to be rationalised. To help this process, and support all areas in delivering continued improvements in efficiency, we are today making available a new local Value for Money Tool and funding and expenditure proforma.

Finally, I would like to thank you for your continuing commitment to delivering recovery-focussed drug treatment. Reducing drug use and enabling people to overcome dependency, stop offending, recover fully and contribute to society will be a key priority for Public Health England. Structural reforms will

put responsibility for drug recovery commissioning in the hands of local directors of public health, armed with ring-fenced budgets allocated by Public Health England.

These changes present a great opportunity to develop a holistic, value-for-money drug treatment system that delivers high quality care for each individual, regardless of whether they are in the community or in custody. In the meantime NTA local teams will be working with partnerships across the country to ensure sufficient resources are available in each local area to deliver the treatment aims and recovery outcomes of the Drug Strategy.

Yours sincerely,



Paul Hayes
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