



National Treatment Agency for Substance Misuse

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Dear Colleagues

PTB Announcement 2007/08

Please find attached as Annex A the total Pooled Treatment Budget allocation for your partnership in 2007/8 and at Annex B a more detailed breakdown of the £373.3m that will be distributed via SHAs and PCTs.

Context

The total Pooled Treatment Budget for 2007/8 will be £398m. Although this is less than the £478m originally indicated at the beginning of the current CSR period it represents a 280% increase over the PTB allocation of £142m in 2001/2 and is part of a wider funding package which cumulatively amounts to a four-fold increase in central government support for local treatment systems since 2001/2.

Nationally excellent use has been made of this dramatic increase in resources to more than double the number of people in treatment, significantly reduce waiting times, improve the quality and effectiveness of treatment, and drive down drug related crime. However service users and communities have not benefited evenly across the country as the allocation of resources has not always matched well with need. As trailed by Ministers and the NTA over the past year this years allocation seeks to redress some of current unfairness in present funding allocations so that those areas who receive the smallest central government contribution to the overall cost of providing treatment will receive more whilst those who currently receive a disproportionate amount of central government resources per person treated will receive less. This slight reallocation of resources will ensure that all areas have access to central government resources at a level which enables them to expand and improve their treatment systems.

Community Based Treatment

Overall the resource made available in support of community based treatment distributed through PCTs and SHAs will increase by 3.7% to £373.3m. As in previous years this will not be allocated uniformly between partnerships but unlike in previous years the allocation will reflect the demand for treatment in each area during 2006/7 rather than a population based formula. This differential allocation enables us to allocate significant increases to those partnerships who would be unable to expand and improve their treatment systems without additional investment by redistributing resources from partnerships where the current level of activity does not justify the size of investment being made through the PTB. The average PTB contribution per person treated in the 10 areas who will benefit most from this redistribution is currently £882.

The average in the 10 areas who will experience a reduced allocation is £3,526. After the redistribution the average contribution per person treated in the areas benefiting will be £1,134 whilst the average in the areas experiencing a reduction will be £3,370. The NTA is therefore confident that sufficient resources will be available to all partnerships to enable them to continue to develop their treatment systems. There will, therefore, be no expectation that national or local targets will be reviewed as a consequence of the resource reallocation.

Funding Streams

This years PTB will be channelled to partnerships in a variety of different ways identified separately in Annex B. £350m will be allocated direct to PCTs. £11m worth of revenue will be allocated to SHAs which they will be expected to make available to PCTs as shown in Annex B, together with £10m worth of capital which will similarly earmarked for each PCT in the SHA area. All of these resources will be available from April and will be allocated based on a projection of partnerships adult treatment activity derived from the December 2006 NDTMS returns. £2.3m of revenue will be distributed to PCTs in the summer to counteract potential discrepancies between the projected year end activity figure and final year end outturn. As in previous years resources for Young Peoples treatment will be distributed through the Young Peoples Substance Misuse Partnership Grant and DH will make £24.7m available to the Home Office for this purpose.

Priorities

Although the NTA is confident that the level of resources available to partnerships will enable current targets to be delivered nationally particular local circumstances may present challenges in some areas. In such situations the NTA on behalf of Ministers will be expecting partnerships to prioritise meeting their LDP "in treatment" and "retention" targets and ensuring that sufficient treatment capacity is available to offenders to enable the Home Office to meet its commitment to the Prime Minister that 1,000 offenders per week will access treatment via DIP in 2007/8.

The substantial improvements most partnerships have made to their treatment system over the past few years and the improvement in efficiency and impact delivered by many treatment providers, will result in most areas being well placed to continue to deliver against their current plans for their treatment system. The NTA expectation is that, unless there are exceptional local factors unrelated to the level of PTB allocation, there is no reason why partnerships should not continue to be judged against the stretch targets they agreed with the NTA last year.

Treatment in Prison

As part of the wider implementation of the Integrated Drug Treatment System from 2007/8 partnerships will be able to invest PTB resources in prison providing the prison can make a full return to NDTMS. This is a key part of the mainstreaming of the provision of treatment which IDTS is designed to bring about. During 2007/8 the NTA in partnership with CSIP, NOMS and PCTs will be working with all local partnerships and all prisons not just those receiving additional IDTS funding to review to what extent the treatment provided in custodial settings and that delivered in the community can be better integrated.

A key component of this process will be determining to what extent the provision of treatment within the prison itself can be integrated. The NTA's view is that investing community based PTB resource in prison will yield best value for partnerships if the resources currently deployed in prison can be brought together and will be initiating discussions with NOMS colleagues to investigate how this can be brought about.

Young People

The discrepancies in funding discussed above in relation to the adult drug treatment system are even more pronounced in relation to the Young Peoples treatment system. In recognition of wide variation in access, targeting, and the threshold for intervention across the country the NTA and DfES; supported by Home Office and DH, are currently conducting a review of the Young Peoples treatment system in seven areas to inform future development. As in previous years there is no artificial barrier preventing partnerships who wish to from providing additional support to Young Peoples treatment from the wider PTB allocation as long as they are able to do so in addition to delivering the priorities identified above. The joint DfES/NTA work currently underway will assist partnerships in determining an appropriate proportionate allocation of resource between the adult and YP treatment systems.

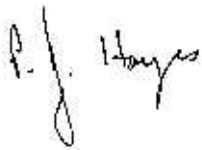
2008/11

It is unlikely that the next CSR period will see significant uplifts in the resources made available for drug treatment by central government. Continued expansion and improvement of the system will therefore be dependent on growth in local funding, and in particular on more effective use of existing resources. The very modest redistribution of resources which has taken place this year will continue to be a feature of resource allocation over the next few years and partnerships will need to become smarter at the use of the resources made available to them if they are to continue to meet the legitimate aspirations of their communities and treatment populations. From 2007/8 new tools will begin to be available to assist local areas maximise the impact of their interventions and deliver the best possible value from the investment made in drug treatment in their area.

The needs assessment methodology used this year will continue to be refined, enabling partnerships to better understand the demand for treatment in their area. Unit costs will soon be available for all types of treatment interventions. The treatment outcome monitoring tool will begin to generate data via NDTMS during 2007/8 which will enable commissioners to come to an informed view about the impact and cost effectiveness of each part of their treatment system. Collectively these tools will be a positive driver towards a much more effective drug treatment system by 2011.

Conclusion

The drug treatment system has delivered significant improvements in access and quality since 2001/2. To achieve this it has drawn on a dramatic increase in funding. During 2007/8 and into 2008/11 commissioners and providers will be expected to continue to expand and improve their treatment systems. The NTA is confident that the total resource made available is adequate for this purpose. The challenge for the sector will be to draw on the improved tools available to obtain best value for their population from their treatment systems. The very modest reallocation of resources in 2007/8 is merely the start of this process.



Paul Hayes
Chief Executive