

Cabinet Member for Community Cohesion and Safety	
JUNE 2011	PUBLIC REPORT

Cabinet Member(s) responsible:	Cabinet Member for Community Cohesion and Safety	
Contact Officer(s):	Karen Kibblewhite, Safer Peterborough Manager – Cutting Crime	Tel. 864122

EXTENSION AND VARIATION TO THE SECTION 75 NATIONAL HEALTH SERVICE ACT 2006 PARTNERSHIP AGREEMENT FOR INTEGRATED SUBSTANCE MISUSE SERVICES

R E C O M M E N D A T I O N S	
FROM : Paul Phillipson, Executive Director - Operations	Deadline date : 30 th June 2011
<p>A section 75 agreement derives its name from section 75 of the National Health Act 2006 and is an agreement between a local authority and a PCT which allows the pooling of resources for the purposes of joint commissioning of services.</p> <p>A decision is sought which gives:</p> <p>1. Authority for the Council to extend and vary the existing Partnership Agreement under section 75 of the National Health Act 2006 with NHS Peterborough under which -</p> <ul style="list-style-type: none"> - The Agreement will be extended for a further year to cover the period until the changes in health commissioning and the future of PCTs are brought into effect; - The Agreement will reflect the changes in governance and reporting following the restructure of the Safer Peterborough Partnership; and - The Agreement will reflect any changes in the funding levels included in the section 75 agreement. 	

1. ORIGIN OF REPORT

1.1 This report is submitted by the Safer Peterborough Team to the Cabinet Member for Community Cohesion, Safety and Women’s Enterprise because a decision is required on a matter that is a key decision.

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to provide additional information to the Cabinet Member for Community Cohesion, Safety and Women’s Enterprise on the key decision.

2.2 This report is for Cabinet Member for Community Cohesion and Safety to consider exercising delegated authority under paragraph 3.3.3 of Part 3 of the constitution in accordance with the terms of their portfolio at paragraph 3.12 (c).

3. **TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	NO
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4. **VARIATION DEED FOR SECTION 75 BETWEEN PCC AND NHS PETERBOROUGH FOR THE TRANSFER OF DEPARTMENT OF HEALTH MONEY FOR DRUG TREATMENT IN PETERBOROUGH**

- 4.1 The section 75 Partnership Agreement, covering the period 2008-2011, has operated successfully and has underpinned the integrated commissioning of adult drug services within Peterborough.
- 4.2 The existing Agreement ended on 31st March 2011 however was not renewed at that time as the Council was awaiting confirmation of funding from the PCT which has only recently been confirmed. It is proposed to extend the agreement for a further year, (as allowed for by the Agreement) due to the forthcoming changes to health commissioning. Primary Care Trusts are due to end during 2012 and commissioning for substance misuse is likely to be moved under the remit of public health, which itself is likely to become the responsibility of Local Authorities. Consequently, a Section 75 Agreement is unlikely to be required after March 2012. It is proposed that in the financial year 2011/12 arrangements are made to ensure appropriate continued commissioning with relevant funding streams pooled for future years.
- 4.3 Since the development of the section 75 Partnership Agreement, the Community Safety Partnership (CSP) has undergone a restructure which has led to significant changes in the governance and reporting arrangements within which substance misuse commissioning functions sit. The proposed variations to the Agreement will accurately reflect the changes following the restructure and will give greater clarity in terms of reporting, accountability and governance.
- 4.4 The Agreement has successfully supported the streamlining of local commissioning procedures for specialist substance misuse services and has contributed to improvements in the performance management of the local system and to performance against indicators and targets identified by the National Treatment Agency. The continued pooling of drug treatment funding streams and integrated commissioning will support local performance against strategic priorities identified within the Single Delivery Plan and by the Safer Peterborough Partnership.
- 4.5 The amounts of funding within the scope of the agreement have increased from the minimum annual indicative amount identified within the original Partnership Agreement. For the financial year 2011/2012 the proposed budget would include contributions from NHS Peterborough of:
- Department of Health Pooled Treatment Budget - £1,789,384
Department of Health Drug Interventions Programme Allocation - £389,808
NHS Peterborough - £409,000.
- 4.6 The continued pooling of drug treatment funding streams and integrated commissioning will support local performance against strategic priorities identified within the Single Delivery Plan and by the Safer Peterborough Partnership.
- 4.7 The partnership agreement has been developed in line with and using flexibilities detailed in the National Health Service Act 2006 under Section 75 of that Act.

5. CONSULTATION

- 5.1 The Safer Peterborough Partnership has fully consulted with NHS Peterborough.
- 5.2 The Safer Peterborough Partnership has consulted with the Cabinet Member for Community Cohesion and Safety.

6. ANTICIPATED OUTCOMES

- 6.1 The anticipated outcome of the variation of the Section 75 Partnership Agreement between Peterborough City Council and NHS Peterborough is that commissioning for specialist adult substance misuse services will be fully integrated and streamlined to ensure high quality, effective services are delivered to the local community and that best value and positive outcomes are maximised.

7. REASONS FOR RECOMMENDATIONS

- 7.1 The Partnership Agreement, covering the period 2008-2011, has operated successfully throughout this period, and has underpinned the integrated commissioning of adult drug services within Peterborough. The existing Agreement ended on 31st March 2011 however the Council was awaiting confirmation of funding from the PCT, which has only recently been confirmed, before approving a variation and extension to the Agreement. It is proposed to extend this for a further year, as per the Agreement, due to the forthcoming changes to health commissioning. Primary Care Trusts are due to end during 2012 and commissioning for substance misuse is likely to be moved under the remit of Public Health, which itself will move under the responsibility of Local Authorities. Consequently, a Section 75 Agreement is unlikely to be required after March 2012. It is therefore proposed that in the financial year 2011/12 arrangements are agreed to ensure appropriate continued commissioning with relevant funding streams pooled for future years.
- 7.2 In addition, since the development of the Partnership Agreement, the Community Safety Partnership (CSP) has undergone a restructure which has led to significant changes in the governance and reporting arrangements within which substance misuse commissioning functions sit. The proposed variations to the Agreement will accurately reflect the changes following the restructure and will give greater clarity in terms of reporting, accountability and governance.

8. ALTERNATIVE OPTIONS CONSIDERED

- 8.1 Not extending the Agreement for a further year, would leave the pooled budget at risk of one or more partners withdrawing some or all of the funding. This would have significant impact on the current contractual obligations with drug treatment providers.
- 8.2 A new Agreement could be drawn up for the period; however given an Agreement is already in existence, a variation deed serves the same purpose.
- 8.3 Not revising the Partnership Agreement in line with the CSP restructure would lead to lack of clarity in relation to reporting, governance and accountability. This may put the ongoing integrated commissioning of drug treatment at risk which could have a negative impact on performance and could present a financial risk to the Council in terms of securing funding to support current contractual obligations with drug treatment providers.

9. IMPLICATIONS

- 9.1 Without the continuation of the partnership agreement, meaningful contract and performance management of specialist substance misuse services in Peterborough will be problematic. Consequently this will have implications for health, social care and criminal

justice outcomes for service users and the wider community. Jointly commissioning services using parallel contracting and performance management systems will maintain inefficiencies within the local partnership leading to increased commissioning costs with a consequent impact on service provision.

- 9.2 Legal Implications - The agreement between the Council and NHS Peterborough was developed in line with section 75 of the National Health Service Act 2006. The Act allows a local authority and a NHS body to enter into partnership arrangements to pool resources within a single budget and jointly purchase services. The Partnership Agreement sets out the agreed aims and outcomes and the contributions to be made to the pooled fund by each party.

10. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985)

- 10.1 The National Health Service Act 2006 (HMSO)