Purpose of Report

This report was due to go to the cabinet that has been rescheduled from the 24th October however if agreed the staff would need to be TUPE transferred on the 1st November therefore due to the urgency of the decision there is a request to Cabinet to exempt this matter from call in. A delay to the transfer would put at risk a number of PCS efficiencies for 12/13.

This purpose of this report is to summarise the options appraisal and present the preferred option regarding the future delivery of the Oldham Drugs and Alcohol Action Team (DAAT) and commissioning of services to reduce harm from illicit drug use and alcohol. The report informs cabinet of progress to date. It highlights the work undertaken through the Human Resources process and a timetable for implementing the preferred option.

Substance misuse has been identified as a priority area with the Joint Commissioning Strategy 2010-2013 which was endorsed by the Joint Working Programme Board in December 2010.
It is recognised that substance misuse and the role of the DAAT links closely to other work being undertaken jointly on mental health, complex needs, children’s commissioning etc. It also has a significant link to the developing public health agenda. With this in mind, the recommended option is based on the model which maximises the opportunities for more integrated working on this topic, to deliver better outcomes and efficiencies.

**Recommendations**

That Cabinet endorses the preferred option for the future delivery of the Oldham DAAT which is to locate the DAAT within Oldham Council as part of the Joint Commissioning Team.

That Cabinet agree to the DAAT transferring to the Council on 1st November 2011 which would fit with accountancy requirements and ensure the team can become integrated into the joint commissioning team within this financial year.

That Cabinet agree due to the urgency of the decision to exempt this matter from call in.
Oldham Drugs and Alcohol Action Team (DAAT): progress to date and next steps

1 Background

1.1 The national drug strategy: ‘Drugs - Protecting Families and Communities’ aims to:

- Cut drug-related crime and disorder;
- Cut the risk of drug use among young people;
- Cut the number of families devastated by parental drug use;
- Increase the number of drug users making a positive contribution to society
- Expand and improve drug treatment services

1.2 An updated national Alcohol Strategy called ‘Safe. Sensible. Social: The Next Steps’ was also published in 2007, with the key objectives being to:

- Reduce the harm caused by alcohol
- Increase the public’s awareness of the risks associated with excessive consumption and how to get help

1.3 Implementing the strategies at a local level is the responsibility of Drug Action Teams (DATs) or Drug and Alcohol Action Teams (DAATs). These are multi-agency partnerships with a range of representation, including Local Authorities, health, police, probation, the prison service and the voluntary sector.

1.4 DAATs are best placed in statutory organisations to exercise their responsibilities to coordinate activity across a wide partnership of agencies, and this is the model across the UK.

1.5 Oldham Council and NHS Oldham have produced a Joint Commissioning Strategy which fits into broader work underway to develop an integrated commissioning hub. The work of the DAAT fits into this new approach to joint commissioning.

2 Current Position

Oldham DAAT

2.1 The DAAT in Oldham comprises of a team of staff who are responsible for:

- Ensuring the work of local agencies is brought together effectively and that cross-agency projects are coordinated successfully
• Commissioning services
• Monitoring and reporting on performance
• Communicating plans, activities and performance to stakeholders.

2.2 The local DAAT represents a wide partnership comprising of agencies and organisations with an interest and wish to influence the drugs and alcohol strategy. They fulfil this role by receiving and approving draft strategies from DAAT officers via strategic commissioning meetings and forums. The DAAT also takes strategic decisions on expenditure and service delivery within the four aims of the National Drugs Strategy which are:

• Treatment
• Young people
• Communities
• Supply

Substance Misuse Commissioning Arrangements

2.3 The DAAT receives central government funding (Department of Health and Home Office).

2.4 Its 2011/12 projected spend on commissioned services is £1.833m on the ‘Adults’ Pooled Treatment Budget’ [PTB] (The Adult Pooled Treatment Budget forms part of the Public Health Spend on drugs and alcohol and is included in the Public Health Spend which will be transferred to the Council). In addition there is a further allocation of £0.8m for the Oldham Drug Improvement Programme [ODIP]. Both sums are received from NHS Oldham. In addition there is a small youth treatment budget. With overheads, the total DAAT budget for 2011/12 within Positive Steps Oldham is £3.3m. See the table at 6.1 below.

2.5 The DAAT exercises its commissioning duty through the DAAT Joint Commissioning Group. The group is made up of lead commissioners from all stakeholder agencies and organisations. It is the responsibility of this group to review performance, oversee financial management and agree on how to future-proof service delivery.

2.6 This is achieved through service re-design, re-alignment, de-commissioning and introducing new commissions in line with NTA Commissioning Guidelines and other government commissioning Guidelines.

Current Management Arrangements

2.7 Oldham DAAT staff team have been employed by Positive Steps Oldham (PSO) since 2001.

2.8 The pay costs (salaries, National Insurance and pension costs) of the staff members are at present £329.5k annually. The DAAT team, as PSO employees, are members of the Local Government Pension Scheme, but the employer’s contribution rate for PSO, at 12.8%, is below the Council’s 16.6%
rate. This will cause total DAAT pay costs to rise to £340.2k p.a. upon transfer to the Council’s payroll. This can be funded from the existing staffing budget, which includes other PSO corporate costs and totals £367.9k in all.

2.9 The DAAT Manager is responsible for the day to day management of the DAAT, working alongside community safety managers in the Community Safety Partnerships (CSP) which have specific statutory responsibility in respect of substance misuse and other commissioning managers.

2.10 PSO is a charitable organisation commissioned by Oldham Council and other public sector bodies; locally, regionally and nationally to deliver a range of statutory and non-statutory services and activities. These include the Connexions Service, Youth Offending Service, Youth Crime Prevention Programmes and Curriculum Support Services for schools and colleges.

2.11 PSO is also currently commissioned by Oldham DAAT to provide the young people’s substance misuse service for the borough - OASIS

3. Options/Alternatives

3.1 The following outlines the options available in respect of future delivery.

Option one: status quo

3.2 The benefits of remaining the same are that PSO would continue to carry the staffing risks should the funding for the DAAT team posts stop or reduce.

3.3 Issues associated with this option include the fact that the current commissioner-provider arrangements, in respect of young people’s substance misuse service have the potential to create conflicts of interest for the DAAT as employees of PSO.

3.4 Location in PSO creates an unnecessary distance between the DAAT and other commissioners/partners including the CSP, although this is managed quite well under the current arrangements. The staff costs are around 9.6% of the whole commissioning budget.

Option Two: transfer the DAAT function and staff team from PSO to Oldham Council Joint Commissioning Team

3.5 Option two is to move the DAAT to be located in Oldham Council. This would situate the team in a statutory organisation which is the usual model for a DAAT.

3.6 The proposal is to locate the DAAT with the Joint Commissioning team. The main benefit of having the DAAT as part of the joint commissioning function is that this option aligns well with the future direction of the Council.
3.7 It fits particularly well with the work underway on the development of an integrated commissioning hub and the opportunity to integrate commissioning at a number of levels including collaborative commissioning at a regional and sub-regional level.

3.8 The Joint Commissioning Strategy (2010-2013) identifies priorities based on the Joint Strategic Needs Assessment and one of these priority areas is substance misuse.

3.9 The Public Health report also identifies drug and alcohol services as a key area for review and for developing service opportunities.

3.10 The DAAT team would benefit from networking and forming professional relationships with colleagues involved in joint commissioning.

3.11 Current work underway through joint commissioning includes exploring a programme budget for substance misuse services which fits well with the synergies between other joint commissioning workstreams such as mental health and complex care.

3.12 The DAAT would also benefit from the Council infrastructure including access to meeting rooms, HR support, procurement advice and related commissioning support. It could also align its procedures with Council procedures by being involved on a day-to-day basis.

3.13 Locating the DAAT in a Council building would enhance Council leadership involvement in the work of the DAAT.

3.14 If the DAAT function eventually merges into Public Health (as indicated in the White Paper) then it would make sense for both teams/professionals to be based together.

3.15 While DAAT funding remains one of the few remaining ring-fenced funding streams, services procured at present by the Council in isolation from the DAAT could be integrated into the DAAT service provision, thereby releasing non ring-fenced Council funds.

3.16 It could also provide an opportunity to streamline resources not only with the DAAT itself but also with the joint commissioning work with the NHS which could identify any duplication. It could also strengthen governance arrangements as there would be more transparency around decision making if situated within a joint commissioning function.

3.17 As the Department of Health has developed a new alcohol strategy, a more joint approach would also provide an opportunity to review the strategy and how this is implemented locally, maximising the opportunities offered through closer partnership working and commissioning.
3.18 The risk associated with this option is ensuring that that work is not carried out in isolation from the rest of the Service.

3.19 General issues relating to the transfer of the DAAT to oldham Council include:

- A move to the Council would involve a TUPE transfer of the DAAT staff team
- Location could also be an issue. The DAAT team are currently located in a Positive Steps building and therefore a move to the Council would need to take into consideration as to where they would be accommodated

Option Three: Delivery in partnership with the new developing Clinical Commissioning Group (CCG)

3.20 No formal dialogue or research has taken place in terms of this option and this could be a topic for further discussion as the arrangements evolve. The CCG are not formally established yet and are already part of the integrated commissioning arrangements through work underway on the integrated commissioning hub.

4 Preferred Option

4.1 The preferred option is option two given the benefits of the DAAT being located within the Council within the developing Joint Commissioning Hub.

4.2 As there are specific advantages and synergies associated with being sited within a joint commissioning function, then SMT is asked to agree the preferred location of the DAAT as being part of the joint commissioning team.

5 Consultation

5.1 With regards to staff, group consultation was undertaken on the 22 July 2011 and individual consultation meetings followed on the 28 July 2011. The DAAT staff group understood the measures that the council were undertaking in relation to the proposed TUPE transfer and in general were positive about a potential transfer to the council.

6 Financial Implications

6.1 The preferred option would involve funding and expenditure of £3.3m p.a. transferring from PSO to the Council. As the DAAT operates in financial balance, there would be no material causal effect upon the Council’s budget outturn variance. PSO classifies the existing DAAT budget as follows:
<table>
<thead>
<tr>
<th></th>
<th>£000s</th>
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</thead>
<tbody>
<tr>
<td>Staff costs</td>
<td>367.9</td>
</tr>
<tr>
<td>Premises costs</td>
<td>135.0</td>
</tr>
<tr>
<td>Consumables</td>
<td>2.6</td>
</tr>
<tr>
<td>Commissioned services</td>
<td>2,765.5</td>
</tr>
<tr>
<td>Finance &amp; legal costs</td>
<td>22.2</td>
</tr>
<tr>
<td><strong>TOTAL COSTS</strong></td>
<td>3,293.2</td>
</tr>
<tr>
<td>Grant Income</td>
<td>(3,294.4)</td>
</tr>
<tr>
<td><strong>SURPLUS</strong></td>
<td>1.2</td>
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</tbody>
</table>

6.2 The DAAT would be set up as a tree of five cost centres, mirroring the existing five PSO cost centres, within the Joint Commissioning service.

6.3 Initial revenue expenditure may be required for replacement PCs and office furniture for the nine staff, but this would be met from the DAAT’s own budget.

6.4 There will be no capital effect arising from the transfer.

7 Legal Services Comments

7.1 The Council should be mindful that if TUPE applies then it will inherit DAAT’s staff teams rights and liabilities in relation to those individuals being transferred.

7.2 The dismissal of any employee whether pre or post transfer for any reason connected to the transfer will be automatically unfair unless the reason is an economical, technical or organisational reason entailing changes.

7.3 TUPE would also preserve continuity of service of those individuals being transferred and any future redundancy, severance payment payable by the Council would reflect this. Radhika Aggarwal

8 Human Resources Comments

8.1 If staff are transferred to the council then TUPE will apply to the ten staff who are wholly employed to carry out the work of the DAAT. The principal purpose of TUPE is to ensure that the contractual terms and conditions of employment and continuity of service of transferring employees is protected upon transfer and that liability for any employment related claims transfers to the new employer. It also offers additional protections in relation to dismissal or variation to contract where the reason for these is the transfer itself.
8.2 Measures (actions, steps or arrangements that are to be taken as part of the transfer that will affect the employment of the employee) have been disclosed by the Council to PSO and these have been discussed at both group and individual consultation meetings.

8.3 The TUPE transfer of the staff will be carried out in line with Council policies and procedures and TUPE legislation. Adele Savage

9 Risk Assessments

9.1 The risks were considered within each of the options and the option with the least risk is being recommended.

9.2 The recommended option is one that mitigates both financial and service delivery risks given it’s links to integrated commissioning.

10 IT Implications

10.1 Preparation has begun and lead in times conveyed to Information services. On the basis that the report is approved and staff are to be transferred, an agreement will have to be made with Positive Steps’ current ICT provider and Unity ICT as to how and when their current data could be moved from its present location to a council-provided data storage solution.

10.2 ICT equipment including Mitel phones will have to be found for these members of staff. In this case ten PCs and ten Mitel handsets. Based on workflow requirements a decision is needed about the intention to ‘mobile work’ and either provide laptops, blackberrys or mobile phones. Each PC would come with a yearly support cost of £241.65 and each Mitel handset would have a quarterly support cost of £15. The ITLO team has set aside ten Mitel phones and ten desktop PCs to accommodate this team.

10.3 Adequate data points and power points would need to be available in the new location and the network switch for this area would need to be checked by Unity to make sure that it could accommodate extra network devices, such as PCs and phones. Ten data points would be required to accommodate ten PCs and ten Mitel handsets as the civic makes uses of a ‘dual-feed’ solution whereby a PC and Mitel handset can share one network point. Dual data-point usually comes in at a cost of £180 and the cost of a dual-power socket is also, roughly, £180 if necessary.

10.4.1 Work will be required with the manager of the team to ascertain what software this team uses to deliver their current service and if it can be replicated in the council using our current default application set.

10.5 Sufficient funds are available within the DAAT budget to purchase equipment and support required. Lesley Perkins
11 Property Implications

11.1 The Council is currently conducting an Office Accommodation Review and plans are in place to refurbish office space within the Civic Centre as part of the programme over the next two years. As a consequence, free office space is currently limited within the Civic Centre.

11.2 The 10 members of the DAAT are currently located at Brunswick House. Should the service be relocated to Oldham Council it is likely that in the first instance temporary accommodation within the Civic Centre will be provided,

11.3 The team would then be relocated into refurbished office space within the Civic Centre and integrated into the appropriate service. Opportunities for New Ways of Working are being explored to minimise accommodation requirements.

12 Procurement Implications

12.1 None

13 Environmental and Health & Safety Implications

13.1 None

14 Equality, community cohesion and crime implications

14.1 None

15 Equality Impact Assessment Completed?

15.1 This report is about the future delivery and location of the team and hence does not adversely affect the service itself.

16 Key Decision

16.1 Yes

17 Forward Plan Reference

17.1 PCS 34-11

18 Background Papers

18.1 none

19 Appendices
19.1 None