

1. You ask for the actual figures / formula used to calculate Stockport DATs Drug Interventions Programme (DIP) Main Grant 06/07 allocations.
2. Attached to this letter, as Annex A, is a copy of the DIP Main Grant allocation letter, sent to yourself and DAT colleagues by the Home Office DIP team on 5/4/06. Paragraph 4 of this letter explains how Stockport's DIP Main Grant allocation is constituted. Please note that the Annexes to the Main Grant letter are not attached, as they are not relevant to this query.
3. **DIP Main Grant:** This grant is comprised of a number of grant streams, given at paragraph 2 of Annex A. These components of the DIP Main Grant comprise £555,668 in financial year 06/07. The allocation for the Capacity-building grant stream was calculated using a weighting of the York formula, which is the basis for allocating the Department of Health Pooled Treatment Budget, coupled with the level of acquisitive crime in each DAT. The Throughcare / Aftercare grant stream was calculated based on the estimated volume of demand for Throughcare / Aftercare services. In estimating demand, three sources of clients were used, that is, clients coming from interventions associated with DIP, Problematic Drug Users (PDUs) released from custody and PDUs in treatment.
4. The funding formula used to calculate the above-mentioned elements of the DIP Main Grant for 05/06 was not changed going into 06/07, and one of the main reasons for this was to provide certainty to stakeholders of the level of funding they would receive.
5. **Restriction on Bail (RoB):** This grant provides funding to allow the DAT to recruit RoB workers for the court or for a RoB co-ordinator. The grant allocation for RoB in financial year 06/07 is £51,000. The allocation for this grant stream was calculated in the following manner: the Home Office DIP team invited bids from areas for additional workers, along with bids for additional services such as rapid prescribing, and an estimation for any ad hoc costs, which would all be required once RoB went live. A bid of this nature was received and agreed by the HO DIP team in consultation with the GO and the DAT.
6. **Additional CJIT Workforce:** This grant provides funding to allow the DAT to recruit additional drugs workers to deliver Required Assessments. The grant allocation for Additional CJIT Workforce in financial year 06/07 is £143,820. The allocation for this grant stream was calculated in the following manner: we calculated the additional volume of tests (for specified Class A drug use) that we believed would occur in custody suites as a direct result of the introduction of Testing On Arrest, a provision of the Drugs Act 2005. This estimation of the number of increased tests was based on the outcome of a project conducted by our internal researchers, who examined trends between arrests and subsequent charges for trigger offences. As a result of that analysis we concluded that the number of tests would increase by a factor of 3. Early indications from our monitoring show that our predictions are accurate. We then examined data that we had received concerning the number of drug workers working in every DAT, prior to the introduction of Required Assessment, matched this against how many assessments they were currently handling, incorporated our estimation of how many assessments they would need to conduct, once Required Assessments were mandatory, and so calculated a figure representing the number of additional drug workers that would be necessary in that area. The Additional CJIT Workforce allocation consists of costs for these additional workers, along with a smaller amount allocated to cover ad hoc costs associated with the recruitment and placement of these workers (some of which were one-off costs). These allocation figures were agreed in consultation with the DAT.
7. We are in the process of examining the way in which we may calculate funding allocations for the financial year 07/08, and it may be that the basis for the allocations alters in future. However, the Home Office DIP team has operated on a flat real baseline over the past financial year, and expects to receive cuts to our budget for the coming financial years. So whilst the ratio of funding between DATs may change, it is unlikely that any DAT will receive increased funding for 07/08 in real terms. Local partnerships are of course welcome to invest additional funding in DIP, if they see fit.

Yours sincerely,

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke.

DIP FINANCE MANAGER



Home Office

Drugs Strategy Directorate
Drug Interventions Programme
Home Office, 6th Floor, Peel Building, 2 Marsham Street, London, SW1P 4DF
Direct Line 020 7035 0545

DAT Chairs
DAT Co-ordinators

CC: GO Drug Team DIP Leads
GO NTA
DIP Director, Home Office

Our Ref

Your Ref

Date: xx April 2006

E-mail: drugsfunding@homeoffice.gsi.gov.uk

DRUG ACTION TEAM for Stockport

Dear Colleague,

GRANT TO IMPLEMENT THE DRUG INTERVENTIONS PROGRAMME – DIP MAIN GRANT 2006/2007

Funding allocations

1. A grant of up to **£750,488** (the DIP Main Grant) is available to your DAT in 2006/07 to enable the implementation of the Drug Interventions Programme as part of the local delivery of the Updated National Drug Strategy.
2. In 2005/6 the DIP Main Grant was formed by the following elements:
 - Throughcare / Aftercare
 - Capacity-Building
 - Arrest Referral
3. Other grant streams were administered separately, if you received these. These were:
 - Advanced Apprenticeship
 - Conditional Cautioning
 - PPO
 - Comprehensive Rent Deposit Model
 - Restriction on Bail
 - Additional CJIT Workforce
4. In order to reduce the bureaucracy associated with the administration and management of all DIP grant streams we are merging the majority of the grant streams into a new, revised DIP

Main Grant. Therefore, in 2006/07 your DIP Main Grant is constituted by the following grant streams and allocations:

- the 05/06 elements of the DIP Main Grant (as given at paragraph 2 above) = **£555,668**
- Restriction on Bail = **£51,000**
- Advanced Apprenticeship = **£0**
- Prolific and Priority Offenders = **£0**
- Comprehensive Rent Deposit Model = **£0**
- Additional CJIT Workforce = **£143,820**

Total DIP Main Grant now available for 2006/07 = £750,488

5. Not all DATs receive all of the above funding streams. For example, if you are a non-intensive DAT then you will not be in receipt of the grant stream previously known as 'Capacity-Building'. If your DAT did not receive one of the above grants in 2005/06, then it will not constitute part of your 2006/07 DIP Main Grant, and so that particular grant stream will show an allocation of £0, in paragraph 4 above.
6. Conditional Cautioning and the DIP Capital grants are the only DIP grant streams that will be administered and managed separately from the new, revised DIP Main Grant. The Home Office DIP team will contact you separately about these, as necessary.
7. In general we have not been able to provide any real increases to your allocations for 06/07, compared to 05/06. This is because we have not received any additional funding for 06/07, yet are having to deliver an expanded Programme. We have also used the feedback from the in-year outturn exercise to inform our decision about the level of allocations for 06/07. Therefore your allocations for 06/07 are largely consistent with your 05/06 allocations. In some cases you have negotiated your allocations for specific grant streams with individuals within the HO DIP team, such as RoB, and therefore will know how these parts of your allocation were reached. We have stripped out any one-off uplifts that were made to your allocations in 05/06. We do recognise that there will be cost increases associated with some services, and so have provided a 2% inflationary uplift to the following grant streams:
 - PPO
 - Additional CJIT
 - DIP MG elements from 05/06 (as at paragraph 2)

General conditions and process

8. This grant funding must be spent by 31 March 2007. No carry-over whatsoever of this funding into 2007/08 will be allowed. Funding must only be used to implement the various elements of DIP as specified in the attached Annex A.
9. One important change for 2006/07, as distinct from 2005/06, is that we no longer require individual grant streams to be spent on individual elements of DIP. We have provided a breakdown of your total DIP Main Grant figure for illustrative purposes, and to allow you to understand how it is constituted, but it is for you to decide how to allocate the funding. We have made this change to allow you greater flexibility in deciding how to apportion funds to meet your aims. In addition it is slightly artificial to expect you to spend individual grant streams on specific projects, when we expect DIP to be embedded and delivered as a package rather than as a number of distinct interventions. This arrangement is mirrored by our outturn requirements, described at paragraph 19 below. The names given to grant streams in the past also have less significance now than they did, for example we won't be labelling the 'Capacity-Building' grant stream as such any longer, because that term is no longer relevant for a Programme entering its fourth year. The same can be said of the 'Arrest Referral' grant stream. So from now on we will refer to all the DIP grant streams as the revised DIP Main Grant.

10. DIP funding should not be used to subsidise disinvestments in existing provision for specialist drug treatment at tiers 3/4, for housing (DIP funding cannot be used to meet direct costs associated with the provision of housing or housing related support, with the exception of the Comprehensive Rent Deposit Model) or for employment programmes.
11. Our expectation is that effective use of resources in your area will bring about the greatest reductions in drug related crime and have the greatest positive effect on those communities which suffer most from its impact.
12. It is essential in delivering the programme that your local leadership is active and engaged, with the necessary planning and delivery mechanisms being owned and taken forward by the DAT partnership. Elements of the programme need to be integrated with the existing planning and monitoring arrangements for the DAT (e.g. DAT treatment plans and local authority homelessness strategies).
13. In allocating the DIP Main Grant, we expect certain key structures and capabilities will be in place. These are set out in the attached Annex A and aim to ensure delivery of the key Programme outcomes. These focus on identifying, assessing, taking onto the CJIT caseload and engaging in treatment and other support services those adults – particularly those who misuse Class A drugs – who commit crime in order to fund their drug misuse. You will know which expectations apply to you based on your non / intensive status.
14. In order for funding to be released and for audit and management purposes, you must report how the partnership intends to spend this funding. Attached at Annex C is the template for setting out your spending profile for 2006/07 for the DIP Main Grant.
15. This annex will have to be agreed by the Local Partnership, Government Office Drug Team Regional Manager and NTA Regional Manager. We will make payments to your nominated banker based on the amounts indicated in this profile. **Please complete the profile at Annex C and return it to us by 12th May 2006.** If we have not received a properly completed profile we will not be able to make payment of your DIP Main Grant within the proper timescale.
16. The grant funding is made subject to the terms and conditions listed in Annex B attached. **These must be signed and returned along with the profile.**
17. We will make two payments to you in 2006/07. The first payment will be made in July and will constitute Quarters 1 and 2. The second payment will be made in December and will constitute Quarters 3 & 4. Both payments made will be based on the figures that you submit in your profile.
18. If you have underspent by less than 10% of your 2005/6 allocation in 2005/06, then in principle you will be allowed to carry this amount of funding forward into 2006/7. You will retain this funding in your bank account, and it will be available to you to spend in 2006/7. If you have underspent in 2005/6, and your underspend was greater than 10% of your 2005/6 allocation, then we will claw back the amount that is in excess of 10%. We will do this by docking the relevant amount from your Quarter 3 & 4 Main Grant payment. To request that a certain amount of funding is carried forward from 2005/06 to 2006/07 **you need to complete Annex G, attached, and return to us by July 1st 2006.** Please note that you are only able to request carry forward of funding where there has been an exceptional reason for slippage in your programme, which you know will be rectified in the financial year 2006/07. You are not able to request carry forward of funding relating to salaries. Carry forward will only be agreed by the Home Office where we are clear that the funding carried forward will definitely be spent. The Government Office have to support your carry forward request, but it is the Home Office who approve it. You will not be allowed to carry forward any funding from 2006/7 to 2007/8, so please commit and spend all funding available to you in 2006/7.
19. You need to provide outturn statements for all the grant streams that you received in 2005/6. **Therefore please complete all relevant forms at Annexes F, H-L. Please return these to**

the Home Office by July 1st 2006. You will be asked to provide outturn figures at the end of the financial year 2006/7, for the funds that you were allocated in 2006/7. However, no form is attached for this, as you will not need to populate it until the end of financial year 06/07. Relevant outturn forms will be sent to you in March 2007, and should be returned to the Home Office by July 1st 2007.

20. As mentioned above, you can now spend your DIP Main Grant on delivering all elements of DIP, and do not have to spend a particular pot of money on a particular activity. Therefore you do not have to account for your expenditure against different grant streams in the outturn form that you submit, covering 2006/07 (however please note the exception to this point in the paragraph 21).
21. A requirement of the grant terms and conditions is that a report on the audit of grants receipts and expenditure signed by the Chief Finance Officer, or equivalent, must be submitted to us. **I would be grateful if you would let me have such a report in respect of 2006/07 funding by July 1st 2007.**
22. The exception to this point is that we still require you to outturn against your expenditure within 2006/7 for the Comprehensive Rent Deposit Model, separately from the rest of the DIP Main Grant. Given that this is a new project, we require more detailed information on this, hence the need for a separate outturn on expenditure. The Aftercare Team within DIP will be in touch with relevant areas throughout the year to monitor progress. As mentioned in paragraph 19 above, we will send you the outturn statement for Comprehensive Rent Deposit in March 2007, for submission to the Home Office by July 1st 2007.
23. **We require that you complete an in-year outturn form**, covering the first half of the financial year 2006/7, to be submitted to us by **31st October 2006**. This need not be signed off by the Chief Finance Officer, as it is just for information only, and does not form part of any audit trail. **Please find the relevant attached as Annex M.**
24. **The Home Office DIP team will withhold your Quarter 3&4 2006/07 DIP Main Grant payment until all of the relevant signed 2005/06 outturn statements have been returned. The deadline for returning these to the Home Office is 1st July 2006.**

Please note that payments will not be made until we have received:

- **signed terms and conditions of grant (annex B)**
 - **a spending profile for 2006/07 (annex C)**
 - **details of a nominated banker (annex D)**
 - **outturn statements for all DIP grants that you received in 2005/6 (annexes F, H-L)**
 - **carry forward request (annex G)**
 - **regional authorisation (a signed cover sheet)**
25. All information should be sent (once regional signatures have been obtained on the attached cover sheet) to DIP Finance, 6th Floor, Peel Building, 2 Marsham Street, London SW1P 4DF
 26. Email: drugsfunding@homeoffice.gsi.gov.uk
 27. Should you need clarification or any further information, please contact your regional Government Office Drug Team.

Yours sincerely,

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke.

Finance Manager
Drug Interventions Programme