



REPORT TO: East Lothian Integration Joint Board

MEETING DATE: 30 March 2017

BY: Chief Officer

SUBJECT: Drugs and Alcohol Funding in East Lothian 2016/17 and 17/18

1 PURPOSE

- 1.1 This report provides an update in relation to the work being undertaken to deliver a redesign of drug and alcohol services driven by the 23% reduction in the financial year 2016/17 and the shift in the responsibility for alcohol and drugs to be a fully delegated function of the IJB.

2 RECOMMENDATIONS

- 2.1 The IJB is asked to note the process agreed by the Midlothian and East Lothian Drugs and Alcohol Partnership [MELDAP] Strategic Group to manage the loss of 23% of the available income for Drugs and Alcohol Services in East Lothian.
- 2.2 Members are asked to note the intention to use MELDAP reserves for East Lothian where appropriate to smooth the transition in making the agreed budgetary changes and service developments for financial year 2017-18.
- 2.3 Members are asked to support the redesign process by directing NHS Lothian to:
- Make available East Lothian's full 12% share of the drug and alcohol funding available to the IJB from Scottish Government and 12% of NHSL Core monies spent in the East Lothian IJB area. This would mitigate some of the impact of the removal of 23% of Scottish Government funding and will minimise the impact on service provision. Previously, East Lothian received only 10% of drugs and alcohol from these sources.
 - Ask MELDAP to initiate a redesigned drug and alcohol service for East Lothian within the available financial envelope designed on a community based, recovery based model for future IJB agreement.

3 BACKGROUND

- 3.1 MELDAP's role is to coordinate the design, delivery and commissioning of alcohol and drug services in East Lothian and Midlothian. Its objective is to ensure these services are needs led, high quality and focussed upon the promotion of recovery. Alcohol and Drugs Services are delegated functions to the IJB and MELDAP delivers the strategic planning of these services for the IJB.
- 3.2 The Scottish Government allocates specific funding for Drugs and Alcohol Services through NHS Boards. Historically NHS Lothian has retained a proportion of these funds (top slice) for the delivery of centralised NHS services distributing the remainder to the three Lothian Alcohol and Drugs Partnerships (ADPs). NHSL and East Lothian Council also contribute specific funding from its baseline budget for the delivery of drugs and alcohol services in East Lothian.
- 3.3 The responsibility for Alcohol and Drugs [both Scottish Government and NHS Lothian baseline funding] is now a delegated function of the IJB. The IJB is now responsible for meeting national outcomes for people with substance misuse difficulties and it is important to ensure the board is satisfied with the application of all resources applied on its behalf in this area.
- 3.4 The delivery of drug and alcohol services in East Lothian now needs to be redesigned to meet the principles articulated in the IJB's Strategic Plan. This means local, community based services with an emphasis on recovery. The plan included the use of 'central' resources that may be required.
- 3.5 In December 2015 the Scottish Government announced there would be a reduction of 20% of the funding routed through NHS Boards for delivering substance misuse services. On 4 July 2016 the Scottish Government notified the Lothian ADPs including MELDAP and NHS Lothian, that the level of funding would reduce from £11,468,681 in 2015-6 to £8,887,133 in 2016-7- a reduction of 23%. In relation to 2016/17, as in previous years, the IJB agreed with NHS Lothian that monies would be used from "topslice" to resource Lothian wide services. The remaining monies were spent locally in East Lothian.
- 3.6 The IJB should note that the East Lothian element of the pan-Lothian NHSL Substance Misuse Service, based at the Esk Centre in Musselburgh, will transfer operationally to the IJB with effect from 01 April 2017, and into the management responsibility of the Director of the Health & Social Care Partnership, through the Children & Adult Services Group of services.

Action to Achieve Savings

- 3.7 In December 2016, the IJB agreed principles to be followed in reducing costs and meeting the strategic direction. In January 2017, meetings took place to agree potential savings from Lothian wide expenditure. These were discussed at a reconvened meeting of the MELDAP Strategic Group on the 24 of January 2017. Savings were agreed with a small number of areas in local and Lothian Wide expenditure needing further consultation. This will also include discussion with finance colleagues to balance the budget for 2017/18.
- 3.8 However, if the allocation of the proposed 12% share of Scottish Government and NHSL Baseline funding is delivered, the IJB would be able to mitigate against some of the proposed savings at a local level. The Health and Social Care Partnership would also seek to pilot and then develop a Peer Support service within primary care practices, scope out potential Joint Commissioning options to pilot a support service to people with Mental Health/Substance Misuse and develop a young people's service.
- 3.9 MELDAP proposes to use some of the projected remaining reserve to provide the following:-
- Bridging finance to cover shortfalls where proposed savings are not made until the implementation of a Recovery Model in 2017/18.
 - Set up a Recovery Hub in Musselburgh covering the West Sector with an East Sector Satellite Hub in Herdmanflat Hospital, Haddington.

4 POLICY IMPLICATIONS

- 4.1 If the allocation of the proposed 12% share of Scottish Government and NHSL Baseline funding is delivered, the IJB would be able to mitigate against some of the proposed savings at a local level and therefore limit the impact on MELDAP's ability to implement its ADP Delivery Plan 2015-18.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report does not have an immediate impact on the wellbeing of the community or have a significant impact on equality, the environment or economy. However, if the proposed savings plan is implemented, it is anticipated that there may be an impact on service delivery. Currently, MELDAP is carrying out an Equalities Impact Assessment to identify actions that may minimise the effects on service delivery in the circumstance that 12% of available funding is not made available.

6 RESOURCE IMPLICATIONS

- 6.1 Future service development and associated costs will be required to be within agreed budgetary constraints and future levels of funding. The remaining transformational budget will be used to implement the measures noted above in section 3.9.

7 BACKGROUND PAPERS

- 7.1 None.

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