

West Lothian Integration Joint Board

Date: 23/08/2016

Agenda Item: 11

ALCOHOL AND DRUGS PARTNERSHIP SERVICES AND FUNDING

REPORT BY DIRECTOR

A PURPOSE OF REPORT

To advise the IJB of the reduction in direct grant funding for Alcohol and Drugs Partnerships in 2016/17 and the issues associated with this.

B RECOMMENDATION

- To note that all addictions services come within the scope of the IJB Scheme of Integration.
- To note that the budget contribution from NHS Lothian to the IJB incorporates the appropriate proportion of all NHS Lothian funding in respect of addictions services.
- To note the reduction in the Scottish Government's direct grant funding to for Alcohol and Drugs Partnerships in 2016/17.
- To agree that the ADP commissioning plan should be reviewed and revised to bring planned expenditure in line with the reduced resources for addictions services; this review to be based on the priorities established from the strategic needs assessment and carried out with the same level of stakeholder engagement as for the original development of the commissioning plan.
- To agree that the revised ADP commissioning plan should be presented to the IJB meeting of 29 November 2016 for approval.

C TERMS OF REPORT

ADP commissioning plan

The West Lothian Alcohol and Drugs Partnership (ADP) is a multi-agency partnership set up in 2008 that has strategic responsibility for coordinating actions to address local issues with alcohol and drugs. Its membership includes: West Lothian Council, NHS Lothian, Police Scotland, Third Sector, HMP Addiewell

The current ADP Commissioning Plan 2015-2018 (Appendix 1) was developed with the collaboration and support of all the partners. As is now standard approach for strategic commissioning in the IJB, the plan was informed by an independent needs assessment.

Local outcomes and additional key performance indicators were agreed by the partnership as part of the development process of the delivery plan. Thereafter extensive stakeholder engagement was conducted to inform the development of the final plan.

The plan has four main themes aligned to the seven national ADP outcomes and other local priorities based on the needs assessment:

1. Prevention
2. Early Intervention
3. Recovery
4. Community Safety

A range of service interventions were developed with resource allocation to address these. These commissioned services have various contractual and procurement arrangements including legal form, commencement dates, duration and possible extensions.

Scottish Government funding to ADPs

In 2015/16, £69.2 million was provided from across the health and justice portfolios for the purposes of supporting the work of Alcohol and Drug Partnerships on treatment services. The Scottish Government draft budget published in December included a reduction in the combined drug and alcohol funding from £69.2 million in the current financial year to £53.8 million in 2016-17.

The Cabinet Secretary for Health, Shona Robison, wrote to Health Board Chief Executives in early January 2016 stating her expectation that existing services, resources and outcomes would be maintained at 2015/16 levels and that increased Board baseline budgets were expected to go towards meeting the funding shortfall.

The Scottish Government subsequently confirmed ADP funding allocations to NHS Boards for 2016-17 in a letter of 4 July 2016 (Appendix 2). The result of this is that the ADP funding allocation for Lothian has reduced from £11.470 million to £8.887 million (23% reduction).

West Lothian ADP Funding

As part of its financial planning process for 2016/17, NHS Lothian has passed on the relevant share of increase in its baseline budget in 2016/17 to all Lothian IJBs along with the full Scottish Government allocation for ADPs. The budget resources available are however unable to redress the 23% reduction in direct Scottish Government funding for ADPs for 2016/17.

Final confirmation of West Lothian's share of the reduced ADP funding is still to be advised but it has been agreed at a Lothian level that each ADP service area will share equally, on a pro rata basis, the share of the funding reduction. Taking account of this the total budget reduction impacting on West Lothian commissioned services will be approximately £400,000 in 2016/17.

The existing ADP commissioned service commitments are based on an expectation of funding comparable to 2015/16 levels. Although contracts can be varied or terminated, a period of at least three months notice is required. In addition such a significant reduction to ADP services, without undertaking an appropriate assessment and prioritisation of service activities, would have risks to delivery of outcomes which relate to vulnerable people and disadvantaged communities.

This risk has been discussed at a Lothian level across ADP Partnerships and IJBs and there is a consensus that careful consideration is required on how available funding is prioritised going forward. In terms of West Lothian the total resulting one off pressure of £400,000 in commissioned services will require to be managed within overall budget resources available and the impact of this will be closely monitored during 2016/17.

Commissioning plan review

Taking account of the points noted above, it is recommended that the IJB agrees to an urgent review of the ADP commissioning plan with the objective of bringing investment in line with available resources from 1 April 2017. This review should draw on the existing needs assessment but otherwise the process should be similar to that to develop the plan in the first place. In particular it is considered essential that there is full engagement with all key stakeholders, including service users.

Although challenging in timescale, it will be necessary to conclude this review in time to be able to effect any contractual changes with due notice. To that effect it is proposed that a revised commissioning plan is presented to the IJB at its meeting of 29 November 2016.

D CONSULTATION

- West Lothian ADP
- Lothian ADP collaborative

E REFERENCES/BACKGROUND

- Letter from Cabinet Secretary for Health, Wellbeing and Sport to NHS Board Chief Executives, 7 January 2016

F APPENDICES

1. ADP Delivery (commissioning) Plan 2015-2018
2. Scottish Government ADP Funding Allocations, 4 July 2016

G SUMMARY OF IMPLICATIONS

Equality/Health	The revised commissioning plan will be subject to an equality impact assessment.
National Health and Wellbeing Outcomes	The commissioning plan addresses the relevant National Health and Well-Being Outcomes in accordance with the IJB Strategic Plan
Strategic Plan Outcomes	The commissioning plan is aligned to relevant Strategic Plan outcomes and will incorporate detailed performance indicators.
Single Outcome Agreement	The Strategic Plan outcomes are aligned to the Single Outcome Agreement outcomes related to health and social care
Impact on other Lothian IJBs	None

Resource/finance	Scottish Government funding for ADP investment has been reduced by 23% for 2016/17.
Policy/Legal	Public Bodies (Joint Working) (Scotland) Act 2014 and statutory regulations and guidance
Risk	There is a risk that outcome performance targets are not met as a consequence of reduction in commissioned activity.

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