

## Business Planning / MTFS Options 2019/20 – 2023/24

Ref:  
PA8

<b>Title of Option:</b>	<b>Drug and alcohol savings with contribution to preventative services for adults and families, targeting health inequalities</b>		
<b>Priority:</b>	<b>People</b>	<b>Responsible Officer:</b>	<b>Sarah Hart/Will Maimaris</b>
<b>Affected Service(s):</b>	<b>Drugs and alcohol services</b>	<b>Contact / Lead:</b>	<b>Sarah Hart</b>

### Description of Option:

Investment of drug and alcohol savings in preventative services for adults and families, targeting health inequalities

Retendering of the three core substance misuse adult contracts has created savings, available from January 2019. Savings come from a market price adjustment on the recovery service. Also through taking the employment services out of the contract, now funded until 2020 by the Department of Work and Pensions Individual Placement Support pilot. The cabinet report on the re-tendering process stated in the finance comments that proposals would be developed on how these savings would be used for investment in areas to improve health and wellbeing. We propose that we split the savings between cashable savings and investments in preventative services that reduce health inequalities and have a medium term return on investment for the council.

Table 1 shows that there will be a recurrent net saving related to reduced commissioning costs across the three years of £400k. The remaining funding will be held back for investment in schemes which prevent ill health in adults and families and have a specific focus on health inequalities. For these services, business cases will be developed for consideration, with a need to show returns on investment by 2021-22 to the council.

	Year 1 2019-20	Year 2 2020-21	Year 3 2021-22	Year 4 2022-3	Year 3 2021-22
Direct savings from reduced commissioning costs	£400k (recurrent)	£0	£0	£0	£450k
Invest	£200k (recurrent) including £142k in year 1 only for existing planned investment in targeted lifestyle services for adults	£0	£0	£0	£250k
ROI return from adults or children's social care budgets	£0	£0	To be included in the business case aim for recurrent £100k net saving	To be included in the business case aim for £100k recurrent net saving	To be included in the business case £100k net saving

Table 1 the savings achieved from the investment in reduction of use of high cost services.

Haringey public health now have a strong track record in identifying ROI programs and producing savings, not from limiting access but shifting demand e.g. alcohol hospital liaison services, enhanced home detox and the sexual health transformation.

Public health have scoped a number of potential areas for ROI. By May 2019 public health could rank these in terms of ROI and provide a business case. Below are some of the areas we would like to explore – many of which have a focus on families, – we would look to also scope plans which specifically reduce demand on adult social care.

- **Program of Individual Placement Support (IPS).** The national IPS trials in substance misuse and mental health will show if there is sufficient ROI form IPS. The savings will come in employment spring boarding more residents successfully through a Council funded program, this could be substance misuse treatment or homeless services.
- **Pause.** This is a national program that tackles vulnerable women having multiple pregnancies, which end in repeated social care interventions. Intermediate savings would come from a reduction care proceeding.
- **Program for children of dependent parents.** If Haringey is not successful in the innovation fund bid then we could fund the project with the savings. The ROI is potentially rapid on this project in terms of children's social care costs and a future return on adult substance misuse budgets

Public health would work with finance to create a business case for any investment by May 2019 with a clear outline of where savings would be realised (adults vs childrens)

**Why would the Council agree to invest to save rather than disinvestment?** This option has two advantages for the Council, firstly being able to demonstrate investment in innovative prevention programs. Secondly, by exploring a small investment in years 1 and 2 public health deliver can potentially deliver savings in high cost social care budgets that will create a permanent shift in spend.

Funding for substance misuse services comes from the ring fenced public health grant, a return for which has to be provided to Public Health England (PHE) annually. Whilst recognising localism, there is significant scrutiny by PHE on substance misuse spend and wider public health spend and performance so any disinvestment would be questioned.

#### Summary of net savings:

**Year 1: 2019/20 - £400k net recurrent savings from commissioning costs**

**Year 3: 2021/22 – Additional £100k recurrent savings from return on investments – e.g. reductions in looked after children, reduction in adult social care costs.**

**Year 4: 2022/23 – Additional £100k recurrent savings from return on investment**

#### 1. Financial benefits summary

2018/19 Service Budget (£'000)	2019/20 £000s	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s
<b>Savings</b> <i>All savings shown on an incremental basis</i>					
Existing Budget	4,300	0	0	0	0
Proposed net expenditure after savings	3,900	0	0	0	0
<b>Savings</b>	<b>400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
New net additional savings (year on year)	400	0	0	100	100

#### Impact / non-financial benefits and disbenefits

**What is the likely impact on customers and how will negative impacts be mitigated or managed?**

*List both positive and negative impacts. Where possible link these to outcomes (please refer to relevant*

*(Corporate Plan 2015-18 objectives and outcomes)*

Commissioning savings have already been realised with the expectation that outcomes will not be negatively impacted.

The impact of new investments would be scoped and evaluated including an EqIA but would be targeted at reducing health inequalities

Potential positive contributions to the following borough plan outcomes:

**Outcome 5: Happy childhood:** all children across the borough will be happy and healthy as they grow up, feeling safe and secure in their family and in our community

**Outcome 8:** All adults are able to live healthy and fulfilling lives, with dignity, staying active and connected in their communities

a) Healthy life expectancy will increase across the borough, improving outcomes for all communities

c) Adults will feel physically and mentally healthy and well

d) Adults with multiple and complex needs will be supported to achieve improved outcomes through a coordinated partnership approach

**What is the impact on businesses, members, staff, partners and other stakeholders and how will this be mitigated or managed? How has this been discussed / agreed with other parties affected?**

Commissioning savings have already been realised with the expectation that outcomes will not be negatively impacted. This has already been through cabinet in October 208.

The impact of new investments would be scoped and evaluated and we would engage with partners on any proposals.

**How does this option ensure the Council is able to meet statutory requirements?**

Provision of drugs and alcohol support services are a condition of the Council's Public Health Grant. These will be continue to be delivered.

**Risks and Mitigation**

**What are the main risks associated with this option and how could they be mitigated?**

Risk	Impact H/M/L	Probability H/M/L	Mitigation
Commissioning savings	I	I	There will be a robust service user led process to ensure that the changes in delivery do not impact negatively on service users. The Commissioner will monitor the implementation of the new contract on a monthly basis. The service user network will help to support and service users through the transition to the new service
Return on Investment	TBD	TBD	