

DRAFT SAVINGS PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2021-24

Proposal Title:	Substance Misuse Service reductions		
Reference:	SAV / HAC 008 / 21-22	Savings Type:	Reduction in provision
Directorate:	Health, Adults & Community	Savings Service Area:	Public Health
Directorate Service:	Community Safety & Substance Misuse	Strategic Priority Outcome:	7. People live in safer neighbourhoods and anti-social behaviour is tackled
Lead Officer and Post:	Ann Corbett, Divisional Director, Community Safety and Substance Misuse	Lead Member and Portfolio:	Cllr Rachel Blake, Deputy Mayor and Cabinet Member for Adults, Health and Wellbeing

Financial Impact:	Current Budget 2020-21	Savings/Income 2021-22	Savings/Income 2022-23	Savings/Income 2023-24	Total Savings/Income
Budget (£000)	7,749	(450)	-	-	(450)

Staffing Impact (if applicable):	Current 2020-21	FTE Reductions 2021-22	FTE Reductions 2022-23	FTE Reductions 2023-24	Total FTE Reductions
Employees (FTE) or state N/A	37	(5)	-	-	(5)

Proposal Summary:

This is a high level proposal to deliver savings in 2021– 2022. The proposed savings will be achieved through a combination of actions from reorganisation of the service, contract efficiencies, stopping and reductions in service delivery. **All savings will be a saving to the Public Health Grant.** These savings will be achieved through:

1. The Residential Rehabilitation Budget is currently £450,000. Historically the number accessing residential rehabilitation has been quite low although we did see an increase in 2019-20. In the first 4 months of 2020/21, there is a committed spend of £95k, however, this is likely to be lower demand than usual due to the impact of Covid and the start of a new Reset contract. The substance misuse service through this budget line, also funded a Housing Options (HOST) worker for 1 year at a cost of £35,000 per annum. Alternative funding has now been sourced for this post from MHCLG. We propose that we reduce the Residential Rehabilitation Budget by £75,000 and discontinue the funding of the HOST post. This will achieve cashable savings of £110,000 from 2021 – 2022.
2. Stopping the Community Alcohol Project. The substance misuse budget also funds a Licensing Officer post within Environmental Health & Trading Standards. This post is currently funded as part of the approach to 'environmental' prevention of alcohol harms and is in line with the ambition outlined in the new Substance Misuse Strategy. The Strategy puts a stronger emphasis on the need to use 'targeted' and 'selective' prevention. We propose that we discontinue the funding of this post, this will achieve a saving of £45,000 from year 2021-22. This will require a redundancy exercise, consultation with the affected employee and the Head of Service for that area.
3. Substance Misuse Service (DAAT – Drug & Alcohol Action Team & Drug Intervention Programme) Reorganisation – The work of the service has changed significantly over recent years; case management profiles have changed and a new substance misuse strategy has been published. The Mayor's Office for Policing & Crime (MOPAC) have undertaken a national review of the Drug Intervention Programme and published recommendations. The recent events in the Covid pandemic have highlighted areas of efficiency that could be implemented within frontline services. A service restructure is required to rebalance the workforce in line with the objectives of the Substance Misuse Strategy. The total salary budget for the service is currently £1.6m funded from Public Health Grant and London Crime Prevention Fund (LCPF) Grant. There are 37 full time equivalent staff. Initial thinking would suggest a saving of £135,000 can be achieved through reductions in service user engagement and criminal justice interventions. This would necessitate restructure, a redundancy consultation exercise and deletion of at least 3 full time equivalent posts within the Service area. These savings would not begin to be delivered until 21/22 and a full year saving may not be possible until 22/23.
4. Reset Services (substance misuse outreach, treatment and recovery support) - Contract renegotiations with current providers to achieve savings of £160,000 in year 2021-2022. Contracts have recently been let and any saving would involve a reduction in service provision which would require of service delivery.

Risk and Mitigations:

Risks

Political risk: Drugs and drug related crime and ASB are a priority for LBTH. The Mayor through his manifesto has committed to spend £8m on drug interventions. Any savings made via the substance misuse budget may be interpreted as a 'disinvestment' in tackling drugs and alcohol issues and associated crime and disorder issues in LBTH. This may be mitigated if substitute spend into public health grant contributes to this priority.

Clinical risk: The budget for residential treatment services has consistently been underspent in recent years. To reflect this, a saving of £170,000 was made in 2019-20 (2019-20); funds from this budget were also used to fund a worker within homelessness. Whilst it is anticipated that the budget following the savings proposed will be sufficient based upon recent activity, this activity has been artificially lowered by the impact of Covid-19 and the commencement of a new Reset contract. This level of reduction in budget may mean that access to residential rehabilitation may have to be limited in the future.

Caseloads in the treatment service are currently higher than recommended. Any reduction in resource for these contracts would ultimately result in a treatment service with a capped number of service users. This would have a direct impact on drugs issues across the borough. [Benchmark size of our service – significantly larger?]

Service delivery risk: Any restructure of the DAAT will lead to a reduction in capacity. This will risk reduced retention / engagement of substance misusing offenders in treatment, potentially leading to increases in drug / alcohol related crime and ASB.

It is likely that any savings made via provider contract negotiation will require the providers to deliver a reduction in staffing numbers and reduced service delivery. New contracts have recently been let after a long period of consultation and procurement. Any revision to these contracts would need to be negotiated carefully and will ultimately result in reduced access to treatment or a reduced menu of treatment provision.

Any MOPAC funded projects are agreed in detail and may not be altered without the permission of MOPAC

Impact on project and Tower Hamlets Council

Drugs and alcohol related crime and ASB are of significant concern to Tower Hamlets residents and the effectiveness of drug treatment in preventing crime is well evidenced. There are approximately 3244 Opiate and Crack users in treatment in Tower Hamlets, the highest prevalence rate in London. Average rates of alcohol consumption across Tower Hamlets are relatively low due to a large proportion of the population who do not drink though significant harm is caused and experienced by the proportion of the population who drink dependently. Drug and alcohol misuse are known contributors to crime, anti-social behaviour, increases the risk of domestic violence and adverse childhood experiences.

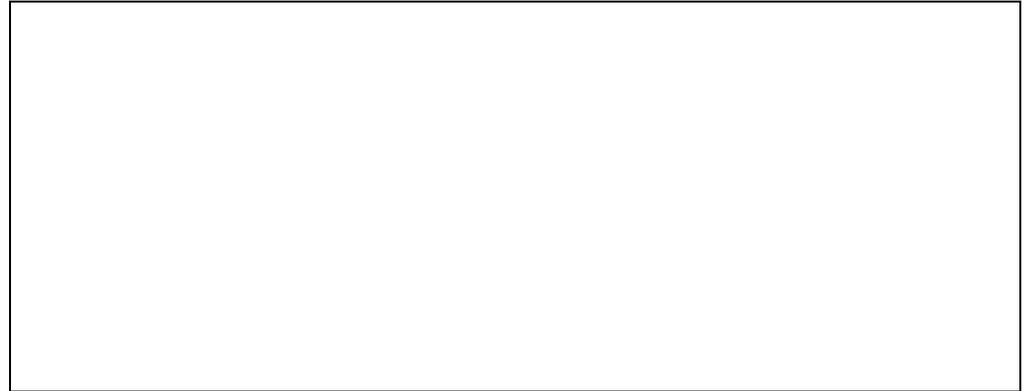
Resources and Implementation:

Resources need

Support would be needed from both the HR and Finance Business Partners and to redesign the service.

The funds invested in drug /alcohol treatment are invested to minimise the health, social and financial impacts of continuing substance misuse. Any saving realised through the proposals put forward would need to be subject to consultation with partners and stakeholders and a full equality impact and crime and disorder impact assessment.

The Tower Hamlets Drug and Alcohol Strategy 2020 – 2025 was published last year. Any savings need to be considered in the context of this Strategy as to what services will be reduced or unable to be delivered.



SAVINGS PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	Yes	Substance misuse correlates closely with particular demographics and reduced resources is likely to impact upon those groups that do not currently engage well – namely female, LGBT and certain ethnicities. However the majority of savings proposed are relatively low risk.
Does the change reduce resources available to support vulnerable residents?	Yes	Substance misuse correlates closely with particular demographics and reduced resources is likely to impact upon those groups that do not currently engage well – namely female, LGBT and certain ethnicities. However the majority of savings proposed are relatively low risk.
Does the change involve direct impact on front line services?	Yes	Resource reduction across all options will reduce frontline capacity.
Changes to a Service		
Does the change alter who is eligible for the service?	Yes	Proposals one and five could begin to limit eligibility, particularly for residential services and it will be important to ensure that needs are still met.
Does the change alter access to the service?	Yes	Residents will be expected to undertake more community treatment options before residential services are funded and access to residential services may be capped. Community services will also risk being capped to maintain safe clinical caseloads.
Changes to Staffing		
Does the change involve a reduction in staff?	Yes	
Does the change involve a redesign of the roles of staff?	Yes	

Summary:	
To be completed at the end of completing the Screening Tool.	
Based on the Screening Tool, will a full EA will be required?	Yes

Additional Information and Comments: