



**REPORT TO:** Strategic Planning Group

**MEETING DATE:** 7<sup>th</sup> March 2024

**BY:** Chief Officer Fiona Wilson

**SUBJECT:** Financial Recovery Proposal; Commissioned Budget and Carers Act Funding

## 1 PURPOSE

1.1 To provide detail on the proposed budget reduction to the 'Vol Org Commissioned Budget' and removal of non-recurring, reserves from the Carers Act funding. Detailing reasons for and impact on the reduction both to the provider and outcomes for people of East Lothian

## 2 RECOMMENDATIONS

2.1 The SPG is asked to

2.2 agree each of the following reductions in budget.

2.3 agree to the removal of reserves from the Carers Act Budget.

Recovery Plan	Budget	Proposed Reduction in Budget	%	Note
Anam Cara (Pink Ladies 1 <sup>st</sup> )	£5,165	£500	10	
C A P S	£110,930	£4,992	4.5	
EARS Advocacy Service	£47,132	2,120	4.5	
Partners In Advocacy	£54,544	£2,454	4.5	
CHANGES Community Health	£203,673	£10,000	5	
Deaf Action	£50,025	£13,000	26	
Health In Mind	£12,913	£1,291	10	
Sight Scotland	£38,997	£3,899	10	
Stepping Out	£64,683	£3,234	5	
Volunteer Centre East Lothian	£30,000	£3,000	10	
Royal Voluntary Service	£127,343	£8,000	6	
<b>Total</b>		<b>£52,490</b>		recurring budget reduction
Carers Act Budget	£1,500,000	£93,000	6	Non recurring- removal of reserves.
<b>Total</b>		<b>£145,490</b>		

### **3 BACKGROUND**

- 3.1 In line with ELHSCP's Financial Recovery Plan, under the General Manager for Planning and Performance the 'Vol Org Budget' and the Carers Act Funding were considered and because of the strategic impact, the proposals need to be agreed by ELIJB. Both budgets are used predominately to commission community based, 3<sup>rd</sup> sector organisations to deliver both preventative and early intervention services in addition to supporting Carers to continue in their caring roles. The services are designed to prevent individuals escalating into more expensive crisis response services, including primary care and acute health services. This is particularly so for providers of Mental Health support where people are coming from health settings to continue their recovery in the community.
- 3.2 The reductions proposed will see the 'Vol Org Budget' being reduced by 6% and the removal of the non-recurring reserves from the Carers Act Monies is also at 6 % of the total budget.
- 3.3 The level of reduction and impact of such, has been discussed with each provider. The objective is to ensure the stability of the provider, ensuring these service are able to continue, failure of these services would have a direct impact on ELIJB' Strategic Objectives:
- Develop Services that are Sustainable and Proportionate to Need
  - Deliver New Models of Community Provision, Working Collaboratively with Communities
  - Focus on Prevention and Early Intervention
- 3.4 The majority of the budgets are held within contracts with 3<sup>rd</sup> sector providers which have a fixed term with an associated agreed budget. Therefore, it is not possible to reduce the budget with these providers unless the provider is failing to deliver the outcomes of the service. Contract monitoring is in place between the Provider and ELHSCP to support providers in their delivery of service and ensure the HSCP is receiving best value.
- 3.5 Where budgets reductions have been identified these are with providers who are contracted either on a yearly grant funding arrangement or their contracts are due to be renewed in April 2024 and therefore would realise a full year affect.
- 3.6 The savings applied, will result in a reduction in service and inevitable increase in waiting times for some of services. Impact of the reductions are detailed in the table 1.

3.7 IIA's are being completed to outline the impact to vulnerable groups as detailed in our Equalities agenda. This has and will outline the risks and therefore the mitigations we can put in place as a result of the budget reductions.

3.8 ELHSCP's commissioning team will continue to engage with providers in 24/25 to ascertain if further budget reductions can be realised and monitor the impact in the reductions proposed within the paper.

### 3.9 Outline of impact on reduction to budgets

Recovery Plan	Reduction in Budget	Note
Pink Ladies 1st	£500	Reduction in number of workshops per annum which will have a direct effect on the numbers of vulnerable women able to access support. Implementation of waiting list.
C A P S	£4,992	Independent advocacy services have received little to no uplifts for the past 5+ years. As a result providers now primarily support individuals who require statutory intervention in relation to the Mental Health Care and Treatment Act or Adult Support and Protection Act. Non statutory support is often required to sit on a waiting list (2-4 weeks dependent on organisation and time of year). A recent needs assessment and engagement activity by the Independent Advocacy Steering Group (2023/24) highlighted the importance of independent advocacy and gaps in provision in East Lothian. This reduction will put further pressure on providers, increase waiting lists and potentially result in the cessation of non-statutory and collective advocacy work entirely, this will remain under review.
EARS Advocacy Service	£2,120	
Partners In Advocacy	£2,454	
CHANGES Community Health Project	£10,000	Provides significant mental health support and includes support in acute cases to prevent hospital admissions. The reduction will result in a longer waiting list for services, estimated at over 7 months.
Deaf Action	£13,000	Deaf Action have agreed to a £13k reduction from 01/04/24. Services will continue at the same level while discussions are ongoing around reshaping the service. An engagement event has been held with service users.
Health In Mind	£1,291	Contract ends 31/03/24. This contract is across all 4 Lothian HSCPs and is under negotiation currently. It may be that the saving cannot be realised if other partners are not in a position to support. Low level Mental health support.
Sight Scotland	£3,899	Scottish Government See/Hear Funds of £5163 will be set against this contract. The contract has been extended by 2 years and the service will be able to be delivered as per the contract with no impact on quality or outcomes
Stepping Out	£3,234	Reduction will have a direct impact on service users by reducing the number of groups and 1-1 sessions available. Waiting list to be implemented and reviewed.
Volunteer Centre East Lothian	£3,000	VCEL operate a number of practice and service fora as well as community events and the reduction in funding will mean that some will not take place. The changes will be agreed with HSCP. However, the staffing will not be affected and the Locality team will continue to be in place at the same FTE.
Royal Voluntary Service	£8,000	% of Budget to support transport. This will have significant impact on the availability of transport, which has been identified as a key priority of residents through HSCP's Planning for an Older Population engagement sessions. This will result in a reduction in service and potential increase in charges for those using the service.

Carers Act Monies	£93,000	Significant change in strategic direction, funds were available to support development of a much needed respite service, reducing partnerships potential to support carers breaks from caring at a time when pressure on carers is increased and national discussions continue on the 'right to a break' as proposed under the NCS. This would support a one off saving but does not give a reduction in recurring budget.
<b>Total</b>	<b>£145,490</b>	

Table 1 Impact of budget reduction

#### **4 ENGAGEMENT**

4.1 One to one meetings with Providers to discuss impact.

4.2 Engagement within the IIA process

#### **5 POLICY IMPLICATIONS**

5.1 There are currently no identified policy implications.

#### **6 INTEGRATED IMPACT ASSESSMENT**

6.1 An integrated impact assessment will be completed in as the area impacted;

- Mental health orgs
- Sensory loss
- Advocacy
- Carers

#### **7 DIRECTIONS**

7.1 N/A

#### **8 RESOURCE IMPLICATIONS**

8.1 Financial – as detailed in the IJB budget setting papers and Financial Recovery Plan.

8.2 Personnel – none

8.3 Other – none

#### **9 BACKGROUND PAPERS**

9.1 none

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