

The Highland Council

9 March 2017

Agenda Item	11
Report No	HC/5/17

Midwifery and Mental Health Projects delivered by Citizens Advice Bureaux

Report by Director of Finance

Summary

At the Council's Resources Committee meeting held on 8 February 2017, it was agreed that an interim report be provided to today's meeting of The Highland Council regarding project funding for the Citizens Advice Bureaux.

This report provides an update in respect of the funding arrangements to Citizens Advice Bureaux (CABx) for the delivery of two projects – Mental Health and Midwifery - to provide appropriate money and welfare advice for pregnant mums and those experiencing mental ill health.

Whilst these projects are not complete, the Council is asked to consider whether it wishes to continue the funding for these two projects, and how this could be financed.

1. Background

- 1.1 The current core contracts between the Council and each of the 8 CABx have been operating since 1 April 2013.
- 1.2 Core funding of these contracts has been maintained for mainstream services at **£1,217,465 per annum** from 1 April 2014 to 31 March 2018 (when the current contract is subject to tendering). This includes **Welfare Reform** mitigation funding of **£102,804** per annum.
- 1.3 The core contracts fund the following advice:
 - Debt
 - Benefits
 - Housing
 - Employment (limited to sign posting on the basis that ACAS is the professional provider of employment advice).
- 1.4 Throughout the term of these contracts, the Council has provided additional fixed term project funding.

2. Mental Health project

- 2.1 Funding from the Council has enabled each CAB to provide tailored welfare advice clinics from January 2015 in local areas and settings to meet the needs of those

experiencing mental ill health.

- 2.2 Funding was initially agreed by members of the Council's Resources Committee in November 2014 on the understanding that paid staff require the same amount of time to carry out the follow up work from a clinic as is required to deliver that clinic.
- 2.3 Clients experiencing mental ill health predominantly require longer appointment times than those who do not as they often have multiple and complex needs including learning disabilities, substance dependencies, physical disabilities, homelessness and/or long term conditions.
- 2.4 This client group depends on a range of specialist advice and support services from a number of agencies for the following reasons:
 - challenges engaging with mainstream services;
 - potential cost of identifying and meeting housing, benefit and debt needs;
 - low demographic prevalence and high cost of required skill set to respond appropriately to the complexity of need;
 - access to tailored services – often involving a complementary blend of specialist, non-statutory and statutory services;
 - recognition that a single agency cannot address all of the presenting issues.
- 2.5 CABx advise feedback from health professionals and recipients of this service has been highly positive.
- 2.6 At the time the report for Council funding for this project was considered by the Resources Committee (November 2014), some bureaux were in receipt of external funding from different sources to deliver advice services for those experiencing mental ill health.
- 2.7 CABx advise that the Council is currently the sole provider of their external funding to deliver specialist advice for those experiencing mental ill health.
- 2.8 One bureau has advised that, with the exception of the Council's funding, their most recent external funding stream expired in March 2016.

3. Midwifery project

- 3.1 Following the successful pilot in Ross & Cromarty by the Council's in-house advice teams, members of the Council's Resources Committee agreed to provide 12-month funding to the Citizen Advice Bureaux to deliver a pan-Highland advice service for pregnant mums. This project commenced on 1 June 2015.
- 3.2 The midwifery project has received national recognition as an exemplar model for delivering universal services. This model of assisting expectant mothers supports two of the Early Years Collaborative key changes of:
 - Early support for pregnancy and beyond; and
 - Addressing child poverty
- 3.3 The Director of Care and Learning is supportive of this project and whilst

acknowledging the significant financial pressures faced by the Council in achieving a balanced budget for 2017/18, recognises the benefits that this project has achieved.

4. Project funding provided by The Highland Council

- 4.1 Funding for the mental ill health project was initially agreed in November 2014 for a 15 month period at a cost of £160,920.
- 4.2 Funding of £90,000 was agreed on 25 February 2015 for a 12 month period for CABx to deliver the midwifery project.
- 4.3 In February 2016, the Resources Committee agreed combined funding of £102,000 to continue delivery of both of these projects until 31 March 2017. Therefore both projects have already seen their funding extended for a twelve month period without the Council undertaking a formal evaluation of the success (or otherwise) of these two projects.
- 4.4 The Council's total **combined approved funding** for both projects from project commencement dates to 31 March 2017 is **£352,920**.
- 4.5 As can be seen from the table provided at Appendix 1 to this report, staff costs on these projects by the CABx in **16/17** is estimated to exceed the total project funding provided by the Highland Council by 4% (121k costs; 117k funding).

5. Project staffing/outcomes

- 5.1 The CABx have provided the following information as requested:
- **Midwifery project staffing** – details of all paid staff who have been directly employed in this project during 2016/17.
 - **Midwifery management information** – details performance during the current financial year only i.e. 1 April 2016 to 31st January 2017.
 - **Mental ill health project staffing** – details of all paid staff who have been directly employed in this project during 2016/17.
 - **Mental ill health management information** – details performance during the current financial year only i.e. 1 April 2016 to 31st January 2017.
- 5.2 **Mental Health project:** The following table details CABx staff costs for the 2016/17 financial year. The outcomes are based on the period 1 April 2016 to 31 January 2017:

Mental Health	CABx data	Comments
Number of paid staff delivering project: (Fixed, temporary, permanent as a full time equivalent (fte))	3.75 fte of which 2.92 fte have permanent contracts	Not all CAB has employed staff to deliver this project. 2.92 permanent based in Inverness, Badenoch and Strathspey, East Sutherland, Nairn and Ross and Cromarty CABx.
Total staff costs including	£81,250	On-costs include employer

on-costs		Pension and NI contributions where appropriate.
Permanent staff costs including on-costs	£59,206	Permanent staff costs are included in the total staff costs figure above.
Outcomes - financial gains	£1,179,601	

5.3 **Midwifery project:** The following table details CABx staff costs for financial year 2016/17. The outcomes are based on the period from 1 April 2016 to 31 January 2017:

Midwifery project	CABx data	Comments
Number of paid staff delivering project: (Fixed, temporary, permanent as a full time equivalent (fte))	1.80fte of which 0.77 fte have permanent contracts.	Not all CAB has employed staff to deliver this project. 0.77 fte permanent based in Nairn and Ross and Cromarty CABx.
Total staff costs including on-costs	£37,190	On-costs include employer Pension and NI contributions where appropriate.
Permanent staff costs including on-costs	£16,542	Permanent staff costs are included in the total staff costs figure above.
Outcomes including estimated financial gains	£1,439,282	Estimated financial gains are based on £2,500 gain per customer by one bureau
Outcomes excluding estimated financial gains	£351,782	Total financial gains often aren't realised until post-birth and upon return to work so the above financial gains figure may not be truly reflective of actual outcomes.

5.4 Members will note from the above tables, that **3.69 fte permanent** paid members of staff are employed in the delivery of these 2 projects. The associated resource costs including on-costs equates to **£75,748** for 2016/17.

5.5 Additional information regarding project costs, number of referrals, customers engaged, financial gains and home visits is provided at **Appendices 1-3** to this report. Outcomes of financial gains cannot be verified, and are based on an estimate provided by one bureau.

6. Advice and Information - Commissioned Services

6.1 The current advice and information contracts between the Council and CABx will

be entering the final year in 2017/18. Contract variations for the 5th and final year will be issued after the meeting of The Highland Council on 9 March 2017.

- 6.2 A significant tender exercise for a new advice and information contract is to begin from 2018/19; work will be undertaken during financial year 2017/18. The scope of work within the tender will incorporate key learning from these projects.

7. ESF Priority 2 Funding

- 7.1 Members will be aware it has previously been agreed to ring-fence the remainder of the Council's Welfare Fund (£649k) to secure ESF Priority 2 match funding (Preventing Poverty).
- 7.2 The Acting Head of Policy has advised that having received confirmation of match funding, the Council is not in a position to reduce its financial commitment **without** first receiving approval from the Scottish Government.
- 7.3 Even if such was obtained, Members should be aware that a decision to reduce the amount of the Council's financial commitment will result in an equivalent reduction in the amount of match funding available to the Council.

8. Potential cost of project funding 2017/18

- 8.1 The advice and support provided by these 2 projects are also incorporated into the Council's core contracts with CABx. The targeted recipients of both projects (pregnant mums and those with mental ill health) have always been able to, and will continue to, have access to relevant advice and support from their local bureau through the main contract funding.
- 8.2 NHS Highland has informed the Council that it is unable to contribute financial support for ongoing delivery of these projects from 1 April 2017.

9. Potential options

- 9.1 **Terminate both projects at the current agreed end date of 31 March 2017**
This would not require additional funding. Pregnant mums and those experiencing mental ill health would receive advice via the Council's core contracts with CABx only. The respective CABx who have appointed permanent staff to deliver these projects currently approved to 31 March 2017 would require utilising their current core funding, seek alternate funding or cease delivery of the projects from April 17.
- 9.2 **Continue both projects for a further 12 month period until 31 March 2018**
This would allow both projects to continue beyond their current end dates (31 March 2017) for a further 12 months until the new advice and information service contract has been procured and implemented during 2018. Following discussions with CABx this is based on a maximum of 50% funding level.

- 50% original funding - £108,956
- 25% original funding - £54,478

9.3 **Continue to fund one of these projects for a further 12 month period until 31 March 2018**

This would continue a level of project support and would mean that the Council's core contract can provide advice for those in need. This would likely be the Mental Health Project as the Midwifery Project could be mainstreamed.

- 50% original funding - £64,283
- 25% original funding - £32,142

9.4 Should 2017/18 funding be approved then the source of the funding needs to be identified. The Council has just set its budget for 2017/18, and members will be aware of the difficult options required to address a funding gap of just over £20m. Council was also appraised of the significant financial challenges ahead, with anticipated ongoing real term reductions in grant funding. Adding to that funding pressure by continuing to fund projects will create a greater pressure for 2018/19.

9.5 Members will also be aware that, in considering options for budget savings, that the core funding for CABx was protected.

9.6 At its meeting on 16 February, Council was also advised of the low level of reserves, with balances sitting at 1.6%, some £2.3m below the recommended minimum of 2%. Already since that meeting COSLA Leaders have approved a revised pay offer to trade unions that is higher than budgeted, thereby creating a further budget pressure of c£0.3m. Any use of reserves to fund a continuation of these two projects is not recommended against this background.

9.7 The only other funding option would be to determine an area of spend that could be reduced to fund these projects.

10. **Implications**

10.1 Resource and Risk implications are set out in the paper. There are no legal; climate change/Carbon Clever; Gaelic implications.

10.2 Rural Implications – the report highlights a range of issues that particularly impact on rural areas.

10.3 Equalities – the whole report seeks to consider and address the issues arising from welfare reforms that impact on poverty and vulnerability.

10.4 Poverty – the whole report aims to acknowledge current welfare issues which exacerbate the causes of debt and poverty within the Highlands.

Recommendations

Members of The Highland Council are invited to:

Note

- The Council's core contract with CABx is entering its final year and has a contract value of £1,217,465 which includes Welfare Mitigation funding of £102,804 per annum
- The Council has provided project funding of £116,759 during 2016/17 for the delivery of the Mental Ill Health and Midwifery projects.
- While some bureaux had external funding streams to deliver mental ill health projects at the time that the Council's funding was initially approved, those funding streams have since terminated.
- NHS Highland is unable to provide a contribution of funding to support these projects from 1 April 2017.
- The Council's current funding for both projects is due to terminate on 31 March 2017.

Agree

- Whether to continue funding one or both projects from 1 April 2017 for a period not exceeding the term of the Council's core contracts, ie to 31 March 2018.
- The funding source in the event that Members agree to support these projects during 2017/18.

Designation: Director of Finance

Date: 24 February 2017

Authors: Allan Gunn, Head of Revenues and Business Support

Appendix 1

CAB	THC Funding 2016/17	Mental Health CAB staff cost 2016/17	Midwifery CAB staff cost 2016/17	Total Projects CAB staff cost 2016/16	Mental Health 1 st April 16 to 31 st Jan 17		Midwifery 1 st April 16 to 31 st Jan 17	
					Customers engaged	Financial Gain	Customers engaged	Financial Gain
Inverness, Badenoch & Strathspey	£44,186	£23,677	£14,883	£38,560	362	£489,518	435	£1,087,500**
NW Sutherland	£2,556	£0	£0	£0	14	£34,894	5	£0
Caithness	£14,694	£7,047	£5,232	£12,279	43	£48,827	81	£62,788
East Sutherland	£6,611	£10,599	£0***	£10,599	89	£196,845	21	Unknown
Nairn	£10,412	£9,442	£3,147	£12,589	77	£54,588	43	£22,441
Lochaber	£9,450	£4,785	£3,680	£8,465	60	£153,341	27	£140,175
Skye & Lochalsh	£7,247	£4,800	£0	£4,800	95	£103,424	31	£5,500
Ross & Cromarty	£21,603	£20,900	£13,395	£34,295	237	£98,163	161	£120,878
Total	£116,759*	£81,250	£40,337	£121,587	977	£1,179,600	804	£1,439,282**

*THC total funding 2016/17 is based on 12mth 50% Mental Health project funding plus 2mth (Apr/May) 100% Midwifery project funding and 10mths (Jun/Mar) 50% Midwifery project funding.

**Figure based on estimated average gain of £2,500.

***East Sutherland bureau transferred funding to Caithness bureau for delivery of project in East Sutherland. Caithness funding figure of £6,256 includes East Sutherland's funding allocation.

Midwifery Project Management information 1st April 2016 - 31st January 2017							
Name of CAB	Midwifery project financial gains achieved since 1 Apr 16	Number of referrals received from midwives since 1 Apr 16 to CAB	Number of customers engaged from 1 Apr 16 i.e. those who used service	Number of home visits for project from 1 Apr 16	Co-locations undertaken		
					Doctors	Hospitals/ Health Centres	Other
IBS	£1,087,500*	574	435	0	Yes	Yes	Yes
NWS	£0	7	5	0	No	No	No
Caithness	£62,788	108	81	0	No	No	No
East Sutherland	Unknown	55	21	0	No	No	No
Nairn cab	£22,441	103	43	2	Yes	Yes	Yes
Lochaber	£140,175	43	27	0	No	No	No
Skye & Lochalsh	£5,500	44	31	0	No	No	No
Ross & Cromarty	£120,878	228	161	2	No	Yes	Yes

*Figure based on estimated average gain of £2,500.

Mental Health Project Management information 1st April 2016 - 31st January 2017							
Name of CABx	Mental ill health financial gains achieved: since 1 Apr 16	Number of referrals from 1 Apr 16 received by CAB from health professionals	Number of customers engaged with project from 1 Apr 16 i.e. those who used service	Number of home visits undertaken for this project since 1 Apr 16	Co-locations undertaken		
					Doctors	Hospitals/ Health Centres	Other
IBS	£489,518.00	180	362	37	Yes	Yes	Yes
NWS	£34,894.00	14	14	1	No	No	Mental Health Drop-in
Caithness	£48,827.17	0	43	9	No	No	Yes
East Sutherland	£196,845.00	99	89	33	Yes	No	Yes
Nairn	£54,587.88	77	257	12	Yes	Yes	Yes
Lochaber	£153,341.36	7	60	2	No	No	Yes
Skye & Lochalsh	£103,424.00	4	95	4	Yes	Yes	No
Ross & Cromarty	£98,163.21	64	237	3	No	Yes	Yes