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**Report To:** Inverclyde Integration Joint Board    **Date:** 7 November 2017

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**Subject:** Criminal Justice Social Work Funding

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## **1.0 PURPOSE**

- 1.1 The purpose of this report is to advise the Board of the impact of the changes to the national Criminal Justice Social Work (CJSW) funding formula, which has resulted in Inverclyde receiving significantly reduced funding and the approach being taken to mitigate against this.
- 1.2 This report provides an update following the decision of the Board on 12 September 2017

## **2.0 SUMMARY**

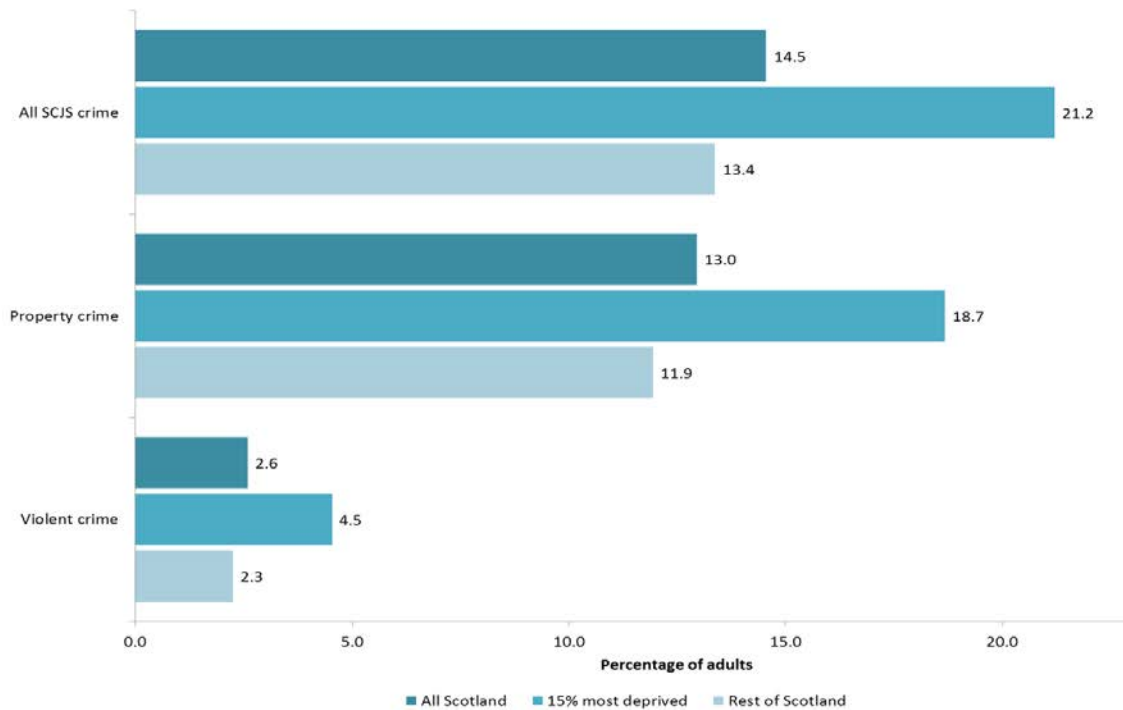
- 2.1 The Scottish Government undertook a review of Criminal Justice (Section 27) funding with assistance from an expert group, which included representatives from Directors of Finance, Community Justice Authorities, Scottish Prison Service, Social Work Scotland, CJSW and COSLA. The new funding formula commenced on 1<sup>st</sup> April 2017.
- 2.2 For Inverclyde the new formula will mean a reduction in the grant of 6% for this financial year, incrementally increasing to a 21% reduction over the next five year period.
- 2.3 Such reductions have the potential to undermine the HSCP's ability to meet both its statutory and public protection requirements.
- 2.4 Steps have been taken to raise concerns about both the fitness of the formula model itself and the viability of continuing to deliver services faced with such substantial reductions.
- 2.5 More recently this has included an approach to the Scottish Government to consider a test for change proposal.

## **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Integration Joint Board notes the content of this report.

## 4.0 BACKGROUND

- 4.1 A system of 100% central funding for criminal justice social work was introduced on 1<sup>st</sup> April 1991. This was accompanied by a nationally agreed document of policy objectives, priorities and service standards ("National Standards"). While the majority of this was core funding and largely workload based, there was also an element of non-core funding. This latter element was often viewed as unfair, as the rationale for this funding has not always been transparent or understood. The new funding formula removes the non-core element.
- 4.2 Within the new funding arrangements there are certain protected lines of funding that are to be targeted at specific types of work. For Inverclyde these include MAPPA / VISOR, Community Sentences and Women's Services. There is however no protection for the Moving Forward Making Changes programme, which addresses the treatment needs of Registered Sex Offenders and as a result Inverclyde may not be in a position after 2017/18 to continue to fund this. This is in contrast to the approach taken to the Caledonian programme, which addresses the treatment needs of individuals who perpetrate domestic violence. This programme is protected. However as it has not been rolled out nationally, it remains available only to the pilot areas and Inverclyde is not one of these.
- 4.3 The new funding formula is based on 50% workload (three year rolling average) and 50% on the social and economic costs of crime (includes estimated costs associated with anticipation, consequences and response to crime). The workload element also includes a weighting for rurality as it was felt this would impact on the cost of delivering criminal justice social work provision. However, the new model does not give consideration to levels of deprivation (which with its impacts on health and social needs can make the task of supporting individuals through their Court Orders more challenging/complex) nor the needs of smaller local authorities.
- 4.4 The Scottish Index of Multiple Deprivation (2016) figures indicate Inverclyde is 9<sup>th</sup> highest in ranking with regards to the national share of the 15% most deprived datazones and is ranked 2<sup>nd</sup> highest in relation to the local share of 15% most deprived datazones. However, when using figures relating to economic and social cost of crime, Inverclyde is ranked 26<sup>th</sup> out of the thirty two Local Authorities.
- 4.5 The Scottish Crime and Justice Survey 2014 / 15 findings include the risk of being a victim of different crimes and the chart below illustrates this is significantly higher in the 15% most deprived datazones.



- 4.6 Based on the new formula, Inverclyde Criminal Justice Social Work budget has been reduced by 6% for this financial year and there will be an incremental reduction over the next five year period of 21%.
- 4.7 The severity of these funding cuts has the potential to undermine the HSCP's ability to meet both its statutory and public protection requirements as well as calling into question the sustainability of its criminal justice social work provision in future years.
- 4.8 An immediate impact following the 6% budget cut is the restructuring of the Criminal Justice Woman's Service and the withdrawal of general offending groupwork provision, notably access to the Constructs Programme. Both services were delivered in partnership with our third sector colleagues, Action for Children. In addition, the Forensic Mental Health Service is being remodelled in 2017/18 which will result in the loss of the dedicated social work provision attached to this Service. This provision operated across the three Local Authorities of Inverclyde, Renfrewshire and East Renfrewshire and will now have to be provided at a local level by existing services.

## 5.0 APPROACH GOING FORWARD

- 5.1 An initial meeting was held in January 2017 that included the Scottish Government Criminal Justice Analytical Division and the Chief Executive of Community Justice Scotland. This was followed up with a meeting with Scottish Government, Director of Community Justice Division and Depute Director.
- 5.2 The then Convener of the Health and Social Care Committee also wrote to the Cabinet Secretary for Justice, highlighting concerns over the impact of implementing the new formula. A detailed response letter has been received indicating the formula will be monitored and reviewed at a future point and consideration may be given to mitigating the impact on smaller Local Authorities.
- 5.3 It is also understood that the Scottish Government, COSLA and Community Justice Scotland are currently in discussions regarding capturing early learning from the application of the new funding model and how this might be used to inform future decision making.

- 5.4 It has been agreed by the Inverclyde Community Justice Partnership to explore other opportunities of highlighting the concerns relating to the impact of this new funding formula in Inverclyde and how this constrains core funding to focus on being reactive as opposed to encouraging prevention and early intervention.
- 5.5 The focus will continue to be on protecting staffing levels as far as possible to ensure the continued delivery of criminal justice social work services. This will include continuing to apply rigour, scrutiny and best value principles to all aspects of criminal justice expenditure.
- 5.6 There will also be a focus on maximising the new Community Justice Partnership arrangements in order to utilise new ways of working and leverage of resources as well as exploring joint commissioning opportunities.
- 5.7 Most recently the Service has approached the Scottish Government with a test of change proposal which could offer a way forward in relation to Inverclyde's continued access to the Moving Forward Making Changes programme which, as previously stated, addresses the treatment needs of Registered Sex Offenders.

**6.0 PROPOSALS**

- 6.1 There is a national drive to increase the use of community alternatives to custody and the management of increased risk within communities as a consequence. The challenge facing Inverclyde in light of the new funding formula and subsequent budget cuts is considerable. However, as has been evidenced, there is a clear approach for going forward.
- 6.2 It is therefore proposed that the Integrated Joint Board notes the concerns and actions for going forward.

**7.0 IMPLICATIONS**

**7.1 FINANCE**

Financial Implications:

There are no financial implications within this report

One off Costs

<b>Cost Centre</b>	<b>Budget Heading</b>	<b>Budget Years</b>	<b>Proposed Spend this Report £000</b>	<b>Virement From</b>	<b>Other Comments</b>
N/A					

Annually Recurring Costs/ (Savings)

<b>Cost Centre</b>	<b>Budget Heading</b>	<b>With Effect from</b>	<b>Annual Net Impact £000</b>	<b>Virement From (If Applicable)</b>	<b>Other Comments</b>
N/A					

## LEGAL

7.2 There are no direct legal implications arising from this report.

## HUMAN RESOURCES

7.3 The Service has been able to make the savings required for 2017/18 through a review of its partnership arrangements with Action for Children and staff turnover. However given the extent of the projected cuts to funding going forward, work is underway to consider different models of service delivery which may ultimately impact on staffing levels within the Service.

## EQUALITIES

7.4 Has an Equality Impact Assessment been carried out?

	YES (see attached appendix)
✓	NO – This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

7.5 It is however significant to note that our local data for 2016/17, indicates that within Inverclyde approximately three quarters (75%) of all individuals sentenced to a Community Payback Order with an Unpaid Work Requirement live in areas classified by the Scottish Index of Multiple Deprivation (SIMD) to be among the most deprived in Scotland i.e. 20% most deprived quintile. This is significant in terms of delivering Criminal Justice Social Work provision as these individuals are likely to be in greater need in terms of the support they require to successfully complete their Court orders. Given the financial context outlined in this report it will be increasingly challenging to sustain such levels of support going forward.

## 7.6 CLINICAL OR CARE GOVERNANCE IMPLICATIONS

There are no direct clinical or care governance implications arising from this report.

## 7.7 NATIONAL WELLBEING OUTCOMES

There are no direct national well-being outcomes arising from this report.

## 8.0 CONSULTATION

8.1 This report has been prepared by the Chief Officer, Inverclyde Health and Social Care Partnership (HSCP) after due consultation with statutory and third sector partners.

## 9.0 LIST OF BACKGROUND PAPERS

9.1 None

