



DERBY CITY COUNCIL

COUNCIL CABINET
22 FEBRUARY 2005

Report of the Director of Policy

Supporting People Five-Year Strategy

RECOMMENDATION

1. To agree to submit the Supporting People Five-Year Strategy and Annual Plan to the Office of the Deputy Prime Minister – ODPM.

REASON FOR RECOMMENDATION

2. The ODPM requires all authorities that are administering Supporting People Subsidies to produce a Five-Year Strategy and an Annual Plan by the end of March 2005.

SUPPORTING INFORMATION

- 3.1 The Supporting People Strategy has been developed in consultation with a range of key stakeholders. These include service users, and providers, as well as a wide range of strategists and commissioners who provide services for the client groups. A consultation questionnaire was also placed on the Council website during summer 2004 and this was publicised in a number of ways, including presentations to Area Panels.
- 3.2 The Supporting People Core Strategy Group has overseen the development of the five-year Strategy and has recommended it to the Commissioning Board. The Commissioning Board is considering the Strategy on 18 February 2005.
- 3.3 The strategy is focused around the vision for Supporting People in Derby which is ...

'To provide housing related support services that meet the needs and aspirations of vulnerable people in Derby'.
- 3.4 The Strategy identifies key strategic objectives, which are to:
 - increase the quality and cost effectiveness of services
 - provide more flexible floating support services that are available across tenures
 - provide services that deliver a preventive agenda and promote independence
 - focus our limited resources on the areas of greatest need
 - better meet the housing related support needs of the city's BME communities
 - provide services that are delivered through effective planning and working partnerships.

3.5 The annual plan lists a number of priority actions, which include ...

- Increased benchmarking to develop more robust value for money comparisons.
- Providing additional resources to carry out reviews in order to meet Government targets.
- Through service review processes, to continue to remodel schemes to include a greater degree of cross-tenure provision.
- To redistribute funding away from client groups that have high provision compared to national and regional statistics, and to the provision in other similar cities, to help balance the Supporting People Budget.
- To carry out further research and consultation into the needs of travellers, sex workers, the frail elderly, older people with dementia, people with HIV/AIDS, and to establish close links with the BME Housing Strategy.
- To review and improve performance monitoring processes for Supporting People contracts.
- To review the inclusive forum and to develop a formal communication plan that includes carers, advocates and hard to reach client groups.

3.6 The full Strategy can be found on the Council website, at <http://www.derby.gov.uk/HiRes/Living/SupportingPeople/spstrategies.htm>.

3.7 For the next three years, the strategy will guide the decommissioning of services in line with the ODPM reductions in the Supporting People budget to Derby, details of which are to be found in Appendix 1. The commissioning of new services will depend entirely on the extent of decommissioning beyond that required to make the 17% reductions.

3.8 The Strategy gives less priority to generic support services providing a low level of support, and places a greater value on maintaining the provision of more intensive and specialist services. Also, floating support schemes do not have a capital element to them and, as a result, they are more flexible and it is easier for providers to manage the impact of budget reductions.

OTHER OPTIONS CONSIDERED

4. We are required by the ODPM to produce a five-year strategy.

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Background papers:	None	
List of appendices:	Appendix 1 – Implications	

IMPLICATIONS

Financial

1.1 We are currently projecting a net overspend of £230k in 2004/05. This is due to:

- a) a number of decisions being taken to pay for key schemes that did not attract platinum cut funding.
- b) contractual obligations to provide block subsidy contracts with a higher level of funding than provided for through the platinum cut.

Work on Housing Benefits has resulted in a number of additional cases being found that are eligible for Supporting People. These new cases have also involved significant back payments to providers.

1.2 Our projected grant profile up to 2008/9 is ...

• 2003/04	£11.609m
• 2004/05	£11.303m
• 2005/06	£10.734m
• 2006/07	£10.197m
• 2007/08	£9.687m
• 2008/09	£9.629m

This represents a cut of 17.04% overall.

1.3 At the same time as announcing the Supporting People Grant, ODPM also announced the allocation for the Administration Grant, which is used to fund the Supporting People Team. The Administration Grant for 2005/06 has been cut by £55k, which, when increments and pay rises are taken into account, means a deficit in funding for the team of £75k. However, at the same time, ODPM has recognised that Derby's review programme is behind schedule and, following a bidding round, has allocated an additional £32k to help catch up with the timetable.

1.4 The immediate issue coming from the grant reduction of over £569k next year is that, without some action, we would be projecting an overspend of £1.071m for 2005/06.

1.5 To deal with this, we are preparing a recovery plan and the elements of this are reflected in the five-year strategy and annual plan ...

- Limiting inflation uplift only to services where this is essential.
- Continuing to identify savings through service reviews.
- Using the analysis included in the five-year strategy to identify client groups where we have more provision than other similar cities with similar needs.
- Developing new contract arrangements that have less financial risk for the Council.

1.6 Recovery plan summary:

• Inflation	£282k
• Reviews	£225k
• Strategy on supply	£149k
• Additional options	£413k
Total	£1.069m

1.7 There are also longer-term financial issues. Further cuts of £1.1m are expected over the following three years, with 50% of these cuts in 2006/07. We will be producing a strategy for dealing with these further cuts.

1.8 The Five-Year Strategy and Annual Plan set out the further planning that is needed to identify how, in a fully consultative and strategic way, further savings will be made.

Legal

2. None.

Personnel

3. The additional staffing resources identified in the annual plan are to be met by a specific ring fenced grant of £32,000 from the Government that must be used for this purpose.

Equalities impact

4. The housing related support needs of vulnerable people from BME communities have been considered within the Five-Year Strategy and it is a priority within both the strategy and the annual plan for close links to be developed between the BME Housing Strategy and Supporting People.

Corporate objectives and priorities for change

5.1 The proposal comes under the Council's objective of **protecting and supporting people.**

5.2 The proposal furthers the priority of **enhancing our community leadership role through partnership working and listening to, and communicating with, the public.**