

Transformation of Housing Related Support Service

SUMMARY

- 1.1 This report proposes commissioning priorities to be taken forward in a procurement programme to transform the housing related support sector in Derby and deliver recurrent annual savings of £6.144m by July 2013 from the Supporting People budget.

RECOMMENDATIONS

- 2.1 To agree the commissioning priorities for the housing related support sector in Derby as set out in 4.3, 4.4, 4.5 and 4.6.
- 2.2 To agree the charging proposals set out in 4.7.
- 2.3 To agree the approach to procurement, contracting and decommissioning set out in 4.8.
- 2.4 To agree to receive a further report with in principle contract awards and the subsequent decommissioning proposals in September 2012.

REASONS FOR RECOMMENDATION

- 3.1 Savings are required from the housing related support budget (formerly the Supporting People Grant) as measures to enable the Council to deliver a balanced budget. The savings to be realised have been built into the Council's financial plans for 2012/13.
- 3.2 On 21st February 2012, Cabinet agreed the strategic approach to be taken to realise the savings. It also agreed that the remaining funding would be focused on four types of services that will focus on supporting and complementing the statutory responsibilities of key partners and meeting the objectives set out in the Derby Plan.

SUPPORTING INFORMATION

- 4.1 On 21st February, Cabinet agreed an approach to delivering the required savings from the former Supporting People funding programme. This agreed approach will transform the existing housing related support sector, aligning it more closely to the Council's personalisation customer journey and breaking away from the legacy pattern of services. Members are drawn to Appendix 1 where the implications arising as a result of the savings programme and transformational approach are restated again.

Cabinet previously agreed that the remaining funding will be used to support preventative and enabling services whose common objectives will be to assist people to access, remain in and maintain their accommodation. All funded housing related support services will complement the Council's and partner organisations' statutory responsibilities through four types of service and support:

- information, advice, advocacy and general support about housing-related matters
- emergency/ crisis interventions for those people who need immediate assistance
- recovery and re-ablement services that support people to have the confidence and skills to obtain and/or maintain their accommodation
- preventative housing related support for people already living independently

In February, Cabinet also agreed that to shape the vision for services as described above, provider organisations should be encouraged to contribute their knowledge and expertise to the process. To enable this to happen, four co production workshops were held on 5th and 6th March where providers who currently receive funding were invited to work with each other and commissioners, to shape the commissioning priorities. The recommendations below have been directly influenced by the ideas and suggestions from those workshops, and providers will be asked to comment on the detailed service specifications, once these are finalised.

4.2 **Recommended commissioning priorities:**

The Derby City Supporting People Commissioning Board met on 16th March 2012 and have agreed that the following commissioning priorities should be recommended to Cabinet:

4.3 **Information, advice, advocacy and general support about housing-related matters**

The Council should fund a centralised "hub" or "gateway" service that can provide information, advice and assistance to those wishing to access housing related support services. The service should be a universal service that is accessible to all and operate as the pathway into emergency housing and crisis intervention services. The key objectives this service should achieve would be to prevent homelessness and rough sleeping and manage access to emergency accommodation and associated support services.

Based on the feedback from the co – production workshops, and to assist with the

transition period from the existing service model to that proposed in this report, it is recommended that a revised service specification is negotiated with the incumbent provider of the Single Point of Entry Service, rather than going to open tender. This service is an in house Council run service that also receives funding from the Council's Housing Options service to provide general and statutory housing advice and assistance. It is proposed that this contract is extended by two years until March 2014, subject to a revised service specification that would develop the service further so that it can:

- Provide general advice and information, including where the Council has a statutory duty to provide assistance under the homelessness legislation
- Coordinate a single risk and needs assessment for individuals being referred into all accommodation based and other housing related support services.
- Ensure that assessments are prepared jointly with service providers, but retain overall responsibility for maintaining centralised records and monitoring, to prevent a "revolving door" experience for individuals
- Ensure there is capacity to deal with enquiries and receive referrals on an extended hours basis, using a variety of access channels, maximising the opportunities for multi-agency working. Where services have agreed direct referral routes through multi-agency arrangements such as MARAC and MAPPA¹, the service should work in partnership to monitor and track referrals and occupancy levels.

It is not envisaged that the service will provide mediation or ongoing support to individuals once they are in settled accommodation. Rather, the service should liaise with other partner agencies and key statutory stakeholders, including signposting and supporting customers to access community, health and social care services where required. It is also recommended that the service operates from an accessible and centrally located premise that has facilities to provide face to face contact with individuals requiring assistance. It would be preferable for a location to be one where customers may already be accessing services e.g. an existing advice or contact centre.

4.4 Emergency/ crisis interventions for those people who need immediate housing/ support

The Council should commission a range of services whose primary objectives are to prevent rough sleeping and homelessness by meeting an individual or households' immediate housing needs that may have arisen due to an emergency or crisis situation, including an imminent threat/ risk of serious harm or injury. The services are likely to be accommodation based services and should be:

- Safe, secure, and appropriately located
- Able to support the following customer groups in separate premises or through distinct units within a single premise – vulnerable single homeless people and couples, vulnerable young people (16-25), people at risk of domestic abuse

¹ Multi-Agency Public Protection Arrangements, or MAPPA, are the means by which agencies in Derbyshire work together to best protect communities from the serious harm that some offenders may still present after being convicted of a crime.

Multi-Agency Risk Assessment Conference (MARAC) is the coordinated community response to domestic abuse, which aims to share information manage risk to increase the safety, health and well-being of victims/survivors - adults and their children.

and high risk and/or prolific offenders subject to Probation Orders

- Supported by appropriate levels of staffing on a 24/7 basis, with levels of cover appropriate to the demands and needs of the specific user group
- Able to move people out of services (so that there is sufficient turnover within the accommodation) into more settled accommodation, or return to previous/ existing accommodation where appropriate.

It is envisaged that individuals would be accommodated for no more than 3 months, with an average stay of up to 6 weeks being desirable. All commissioned services should:

- Receive 100% of their referrals from the central “hub” or “gateway” service, except where multi-agency arrangements are in place.
- Have the capacity to take referrals on an extended hours basis, with the provision of support delivered at a time appropriate for and negotiated with individual service users.
- Work with the central “hub” or “gateway” service to complete a single risk and needs assessment so that a common/ shared client record is maintained that increases the opportunities for individuals/ households to “tell it once”.

4.5 Recovery and re-ablement services

The Council should commission a range of recovery based services that support individuals to achieve a change and improvement in their behaviour or condition so that they have the confidence and skills to obtain and/or maintain independent accommodation. These services should be aligned to existing services being commissioned by statutory partners, including integrated services where opportunities arise for joint commissioning. Distinct from the emergency/ crisis interventions, these services should support people for between 3 and 9 months, with 6 months being the average length of support that would be desirable. These services do not need to be accommodation based, except where an individual’s recovery would be enhanced when supported in a “controlled” environment – likely to be for individuals subject to Probation Orders or recovering from alcohol/ substance abuse.

It is envisaged that all of the services should:

- receive 100% of referrals from agreed partner referrals routes, or multi-agency panels where these exist
- operate/ coordinate a multi-agency case management approach to supporting individuals
- offer additional and intensive support around a range of life-skills and coping strategies that maximise the opportunity for re-ablement and recovery
- offer personalised support packages that can be delivered using individual service funds
- operate under a “payments by results” framework that is focused on agreed outcomes appropriate to the service user group.

4.6 Preventative support

The Council should commission a range of preventative support services that are not tied to accommodation, or are tenure specific. These services will provide a flexible level of support to anyone in the community who may need a more general level of

support to enable them to remain living independently. These services would aim to stop escalation into more expensive and institutional forms of support maximise the use of community based support.

It is recommended that commissioned services should:

- Provide a range of interventions and work with individuals in a variety of ways such as providing face to face support, home visits, telephone and web based advice. This could also include arranging access to assistive technology and equipment that may assist an individual to feel safe and supported at home.
- Receive referrals from a range of sources, including direct referrals from individuals, voluntary and community sector organisations as well as the central “hub” or “gateway” service.
- Have the capacity to take referrals and respond on an extended hours basis, including weekends, with the provision of support delivered at a time that is most appropriate for, and negotiated with individuals/ households.
- Operate under an outcome based contracting framework, whereby the main focus would be about preventing homelessness and hospital/ residential care admissions, complementing the statutory duties of Health and Adult Social care agencies.

4.7 Eligibility for services and charging regime

Under the former Supporting People regime, individuals accessing services that existed on 31 March 2003 became eligible for Supporting People grant funding and although recipients of services did not need to be formally assessed to determine their eligibility for a service (unlike users of adult social care services), Councils were required to establish a charging regime. In Derby, services were free, other than those long term services lasting over 2 years. These users were levied with a charge for the service, unless they were in receipt of Housing Benefit.

Given that the housing related support sector will now be focused on shorter term interventions and more preventative services it is proposed that all services commissioned should be free to individuals, regardless of their financial status and means. To be eligible for a service it is proposed that individuals must meet the criteria set out in the existing legislation and guidance on general eligibility for social housing.

4.8 Procurement , Contracting & decommissioning approach

It is projected that £9.854m will have been spent on housing related support in 2011/12 via contracts with 49 providers, with individual annual values of £20k to £750k. Contracts have previously been on either a block or subsidy basis with a set of performance indicators attached to them and collected by the Supporting People team through a standard pro-forma and Excel workbook.

It is proposed that to deliver the savings, an open tender programme will be undertaken through an EU compliant competitive tendering exercise in line with the timeline set out below. This tendering approach is proposed for all services to be commissioned *apart* from the centralised hub service (set out in 4.3 above) and one service that is currently jointly commissioned with Derbyshire County Council for high risk offenders. It is proposed that this service, which operates on a cross authority

reciprocal basis is included in a tender with Derbyshire County Council, and the current service provider notified of the relevant timescales. Operating the service in this way allows the highest risk offenders to be managed in the community on a core and cluster model, given greater geographical cover where individuals pose risk to specific communities.

The objectives of the remaining tender programme would be to maximise the opportunity for efficiencies across the services to be commissioned, with service specifications focused on delivering agreed outcomes. Invitations will be sought from bidders for either single or multiple services across the range of specifications, to allow smaller organisations the opportunity to collaborate when submitting tenders.

For successful contractors, it is proposed that a range of contracting methods will be used including “payments by results/ outcomes” and the use of “individual service funds”. Individual services funds are a form of personal budgets whereby provider organisations manage income, with an individual retaining control over the way it is spent to meet his or her care and support – this approach is in line with the broader work around personalisation in adult social care. The details of the contracting method to be used will be made available in the tender documentation and bidders will be expected to demonstrate how they will work within the contract should they be successful.

For existing providers who are unsuccessful, support will be made available from Council staff so that organisations are able to close or re-shape services as appropriate should the outcome of the consultation require their service to be decommissioned.

Task	Start date	End date
Tender advertised (45 days)	30 th April 2012	15 th June 2012
Tenders evaluated	18 th June 2012	5 th August 2012
“ stand down” period (min 10 days)	6 th August 2012	19 th August 2012
Successful bidders notified	20 th August 2012 onwards	
Report to Cabinet with in principle recommendations for services to be awarded and those to be decommissioned	September 2012 Cabinet	
Consultation on decommissioning proposals (90 days) and individual EIAs completed	90 days consultation from September 2012	End of December 2012
Consideration of consultation responses & final recommendations made to Cabinet	January 2013 Cabinet	
Notice given to unsuccessful providers (up to 6 months)	End of January 2013	End of July 2013
New service model operational	July/ August 2013	

4.9 Next steps

If the commissioning priorities are agreed, detailed service specifications will be drawn up and circulated to existing providers and Peer Reviewers for any comments. Final service specifications will be presented to the Supporting People Commissioning Board before they are released as part of the procurement programme.

An internal programme board has been established that will oversee the savings programme, manage a risk register and issue log, although it is envisaged that the overall Commissioning Board will continue to meet and be provided with updates on the progress of the procurement activity.

It is also envisaged that Peer Reviewers who represent service users will continue to work with the Commissioning Team leading the savings programme and get involved in evaluating tenders.

OTHER OPTIONS CONSIDERED

- 5.1 Supporting People commissioners previously considered achieving the level of savings required by moving to a large scale decommissioning programme, with all user group areas receiving a reduction against current contract values of between 45% and 100%. For the remaining services that would continue to receive funding, 30% efficiency savings would be required to be achieved against existing contract values. A risk and impact analysis against each user group was considered and it was felt that although this approach would realise savings, the viability of remaining services could not be guaranteed, nor would the pattern of remaining services necessarily match need. This demonstrated the need for a more strategic approach that would present commissioners with an opportunity to provide outcome focused services that take account of statutory responsibilities and the priorities in the Derby Plan.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Service Director(s) Other(s)	Olu Idowu Toni Nash Liz Moore Brian Frisby
For more information contact: Background papers: List of appendices:	Name Kirsty Everson 01332 642743 e-mail kirsty.everson@derby.gov.uk None Appendix 1 – Implications Appendix 2 - Equalities Impact assessment

IMPLICATIONS

Financial

- 1.1 As part of the Comprehensive Spending Review, from 2011/12, the Supporting People Grant also ceased to be provided as a separate ring fenced grant to local authorities. Funding for the programme is now being allocated through the formula grant system as part of the overall Revenue Support Grant. The required savings in 2012/13 and 2013/14 amount to £6.144m. In order to achieve the savings target, the budget for the Supporting People programme will need to reduce to £3.332m by 2013/14. In order to cash flow the savings programme, reserves accrued from earlier years of the programme will be used – currently standing at £2.268m. As savings will not be realised until July 2013, a further maximum shortfall of £2.608m will require funding outside of the Supporting People reserves. This additional one off bridging funding over two years shall be funded from early release of procurement savings, £1.073 m from the AHH Directorate. The remaining £1.535m from the Corporate Budget Risk Reserve. The call on the Corporate Budget Risk Reserve shall be minimised through notice period opportunities to providers wherever practicable and safe to do so.

Legal

- 2.1 Supporting People services are non-statutory however a proportion of services are complementary to statutory adult social care and homelessness services. The proposals in this report will ensure that the criteria for eligibility will be compliant with existing legislation and relevant central government guidance on eligibility for social housing.

Due regard to the Council's Equalities duties is being given with respect to the consultation and decision-making process, as well as TUPE considerations should these be relevant.

Personnel

- 3.1 The reduction and de-commissioning of Supporting People services will have an impact on contracted organisations as the majority of funding pays for staffing, including Derby City Council and Derby Homes staff where contracts are held for Supporting People Services. It is estimated that approximately 150 jobs may be lost from this sector as a result of the savings programme, unless organisations can redeploy people elsewhere. Sufficient notice has been built into the timeline to allow organisations to appropriately manage their responsibilities as an employer, however there will inevitably be an impact on the local economy.

Equalities Impact

- 4.1 A detailed Equalities Impact Assessment has been undertaken on the general changes being proposed in this report and is included as Appendix 2. The EIA has been undertaken with input from a group of service users who act as "Peer

Reviewers” so that early indications of the potential issues that need to be addressed in the transformation programme can be planned for. For example, analysis of service user data undertaken for the EIA has highlighted some key issues:

- The proportion of Supporting People service users who are from a black or minority ethnic background is broadly representative of the population as a whole, with the exception of those of Asian heritage who are slightly under represented. Service users from BME groups tend to experience better than average outcomes from the support received.
- Those service users who identify themselves as being disabled are concentrated around those with mental health issues.
- Housing related support service users are more likely to be male - 60% of users are men.
- 44% of users are under 25, but this age group is less likely to achieve a positive outcome from the support received.

This discussion with participants assisting with the EIA also highlighted two points about the savings programme and the approach being used - it was considered paramount that service users should be involved in the tendering evaluation process and be consulted about which service interventions work well and which improvements could be made.

The findings of the EIA will be mitigated as far as possible when detailed outcome based service specifications are drawn up for the tender programme. This will require bidding organisations to respond to specific equalities issues and will be a key evaluation criterion. In addition, draft service specifications will be shared with the Peer Reviewers for comments before final versions are released, and the tender evaluation process will ensure that service users are involved.

Once the tender programme is complete, the timeline for formal consultation about the potential subsequent decommissioning decisions (set out in 4.8 above) also includes completing individual Equalities Impact Assessments before any final decisions are recommended to Cabinet.

Health and Safety

- 5.1 Non specific

Environmental Sustainability

- 6.1 Non specific

Asset Management

- 7.1 Once it is clear which services will no longer receive funding, there may be specific impacts in relation to Council owned buildings and resources. A number of funded services currently operate from Council owned buildings and a change to their

revenue funding is likely to trigger a review of their occupancy and use. Similarly, provider organisations that operate from premises which received grant funding supported by the Council may also need assistance in any negotiations with the relevant funding bodies about potential changes in usage of buildings as appropriate. This is most likely to occur where accommodation based services received support from the Department of Health, Communities and Local Government or the Homes and Communities Agency (previously the Housing Corporation).

Risk Management

- 8.1 A detailed risk register will be drawn up once the savings programme is underway. This will include broader strategic risks, such as the potential impact on increased rough sleeping, as well as more operational risks such as providers withdrawing from individual contracts or services prematurely. The risk register will be reported regularly to the Programme Board, and escalated appropriately where individual risks cannot be mitigated.

Corporate objectives and priorities for change

- 9.1 The services funded to provide housing related support services helps the Council deliver against the following outcomes:
- A thriving sustainable economy – by contracts being successfully awarded to local organisations and businesses
 - Good health and well-being – by supporting vulnerable people to be as independent as possible and learn independent living skills
 - Being safe and feeling safe – Supporting People services are targeted at people whose circumstances make them vulnerable and help mitigate their vulnerability

Reducing the available funding available for housing and support will impact on the Council and its partners' ability to deliver against these outcomes. There are currently 49 organisations receiving funding for housing related support, who in turn support over 5000 individuals at any one time. Reducing the overall spend on this area will have an impact on a large proportion of these individuals - particularly those service users who would not reach the statutory thresholds for care or health services. The planned savings programme is likely to impact on their ability to live independently and make a positive contribution to their communities. Although the proposals in this report will mitigate the impact as far as possible, there remains an ongoing risk that wider Council priorities will be affected and there will be increased demand and pressures on statutory services such as homelessness, adult social care, health services and services for 16 and 17 year olds those leaving care.