

Supporting People Grant Funding Reductions

SUMMARY

- 1.1 This report informs Scrutiny Members of the current composition of Supporting People services (see Appendix 2).
- 1.2 It sets out the savings targets that are required and proposes the adoption of guiding principles to shape how the reductions should be strategically approached.
- 1.3 It seeks Scrutiny Members' comments on the guiding principles and feedback on the outlined approach.

RECOMMENDATION

- 2.1 To consider and endorse the guiding principles set out in section 4.7 of the report.

REASONS FOR RECOMMENDATION

- 3.1 The guiding principles set out a rationale that supports a strategic approach to managing the required service reductions.

SUPPORTING INFORMATION

4.1 Background

The Supporting People programme began nationally on 1 April 2003, bringing together seven housing-related funding streams from across central government. It became a wholly de-centralised programme, administered through 152 top-tier authorities who had complete discretion over where to direct their funds to best meet local needs. From 2011/12, all Supporting People funding was rolled into Formula Grant and allocated via the Local Government Finance Report for the relevant financial year.

- 4.2 In Derby, the Supporting People budget stands at £9.442m in 2011/12. Services are commissioned from 49 providers delivering housing-related support to 5000+ people. The providers are a combination of in-house, Third sector, charity and for-profit organisations. Contracts range from annual values of £20k to £750k. The kind of services commissioned include:
- Accommodation and floating support
 - Support provided by Key Workers
 - Scheme Wardens or Managers
 - Community alarm systems
 - Someone to help service users learn skills to help them live independently
- 4.3 The Supporting People programme provides services to a broad range of customer groups such as teenage parents, vulnerable older people, people with learning disabilities, ex-offenders, single homeless people, people with mental health support needs and people who misuse drugs and alcohol to name but a few.
- 4.4 Supporting People services are commissioned through a formal Commissioning Board which has representation from the Primary Care Trust, mental health services, children's services, the Probation service and substance misuse services as well as the city council.
- 4.5 As part of the budget-setting process for 2012 and beyond, the Commissioning Board has been set the challenge of reducing the current portfolio of services by £4.72m.
- 4.6 **The approach to implementing the reductions**
- The Commissioning Board has met to consider how to approach achieving such a significant level of reductions.

4.7 It has drawn up the following “guiding principles” which it proposes to apply to the Supporting People programme and would welcome comments from Scrutiny Members. They are:

- Target funding at the most vulnerable and those at greatest risk
- Target funding where there is evidence that it stops/ mitigates escalation to higher costs support and care across partner services
- Maximise value for money including review of provider overhead and transactional cost
- Minimise the impact on high-cost statutory services
- Ensure geographic spread of services according to need
- Ensure that all targeted client groups have access to services
- Access to other funded and available services are taken into account
- Reconfigure the procurement of services for different client groups where appropriate to achieve economies of scale
- Agree clear and measurable outcomes
- Encourage greater volunteering and shared responsibility for care.
- Promoting recovery and independent living
- Supports an approach towards personalisation of Housing Related Support
- Maximise leverage through partnership working and integrated services / commissioning
- People with multiple needs are supported as a priority

4.8 The proposed timeline for completing this piece of work is as follows:

December 2011	Comments received from AHH Commission on guiding principles
December 2011	Officers draw up proposals for service reductions by applying the guiding principles
December 2011	Commissioning Board meet for a “Confirm and challenge” session on the draft service reductions
February 2012	Proposals for service reductions go to Cabinet for consideration and commencement of formal 90 day consultation
February – May 2012	Detailed consultation on specific proposals and Equalities Impact Assessment undertaken
June 2012	Outcome of consultation and Equalities Impact Assessment reported back to Cabinet with final recommendations
June 2012	6 months’ notice of reductions/ de-commissioning issued to affected providers
January 2013	Begin to realise savings

OTHER OPTIONS CONSIDERED

5.1 It would be possible to apply a straight 50% cut to all existing contracts. This was discounted because it is an un-strategic approach and would not appropriately address issues of risk or service priority.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Service Director(s) Other(s)	Stuart Leslie Roger Taylor Brian Frisby Perveez Sadiq
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For more information contact: Background papers: List of appendices:	Name 01332 2743 e-mail Harpreet.kaur@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Summary of Supporting People contracts by customer group
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IMPLICATIONS

Financial

- 1.1 The Supporting People budget for 2011-12 is £9.442m. It holds a surplus of £2.777m generated from value for money and strategic reviews. The Commissioning Board has therefore adopted a strategy of over-programming with a planned convergence of available budget against commissioned services (i.e. break even point) in 2014/15.

The forecast out-turn for 2011-12 is a carry forward of £2.276m.

The Supporting People budget was subject to service reductions in the previous budget round and has to deliver £1.332m savings against a 2010-11 base net budget of £9.89m. £0.444m of this saving is set to be achieved in 2011-12 and a further £0.444m annual saving is to be achieved in each of 2012-13 and 2013-14. In addition to these reductions it has to deliver an additional £4.72m savings over 2012/13/14.

Legal

- 2.1 Supporting People services are non-statutory however a proportion of services are complementary to statutory adult social care services. Due regard to Equalities duties will be given with respect to the decision-making process.

Personnel

- 3.1 The reduction and de-commissioning of Supporting People services will have an impact on organisations which employ staff. Sufficient notice will need to be given in order to enable organisations to appropriately manage their responsibilities as an employer.

Equalities Impact

- 4.1 Supporting People services are delivered to people who are disadvantaged because their circumstances make them vulnerable. A detailed Equalities Impact Assessment will be undertaken as part of the report to Cabinet, so Members are able to make decisions with due regard to their Equalities duty.

Health and Safety

- 5.1 None specific

Carbon commitment

- 6.1 None specific

Value for money

- 7.1 Value for money is one of the suggested criterion for the guiding principles. There is a national evidence base of the efficacy of Supporting People services in saving long term support costs because of the preventative nature of the services.

Corporate objectives and priorities for change

- 8.1 Supporting People 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