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## Report of the Director of Environment and Neighbourhoods and the Director of Adult Social Services

### Executive Board

Date: 4<sup>th</sup> July 2007

### Subject: Supporting People Programme – Audit Commission Inspection

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#### Electoral Wards Affected:

Ward Members consulted  
(referred to in report)

#### Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Eligible for Call In

Not Eligible for Call In  
(Details contained in the report)

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## 1. EXECUTIVE SUMMARY

Supporting People is the national programme for funding and commissioning supported housing services for vulnerable people. The programme aims to assist vulnerable people to ultimately live independently in the wider community through the provision of high quality, strategically planned, complementary housing support services. The programme also aims to ensure that such services deliver value for money.

The Council administers the programme on behalf of a partnership which comprises of the Council, Health and Probation. The partnership manages the programme through a Commissioning Body. All decisions relating to the management of the programme need to be considered and ratified by the Commissioning Body.

The Audit Commission Inspection took place between the 8<sup>th</sup> of January and the 12<sup>th</sup> of January 2007. The scope of the inspection related to the capacity of the Council to administer the Supporting People programme rather than the effectiveness of the wider Supporting People Partnership.

The Audit Commission has concluded that Leeds City Council administers a 'fair' one star Supporting People programme which has 'promising prospects' for improvement. A full copy of the report has been circulated separately to the Executive Board and is available on the Council Intranet at Neighbourhoods and Housing, Reference Documents.

## **1.0 Purpose Of This Report**

- 1.1 To inform Members on the key findings of and the improvement recommendations made by the Audit Commission and to highlight the action it is proposed to take to implement the recommendations.

## **2.0 Background Information**

- 2.1 Supporting People is the national programme for funding and commissioning supported housing services for vulnerable people. The programme aims to assist vulnerable people to live independently in the wider community through the provision of high quality, strategically planned, complementary housing support services. The programme also aims to ensure that such services deliver value for money.
- 2.2 The programme covers a wide range of supported housing services ranging from the provision of warden services in sheltered housing schemes to the provision of permanently staffed direct access hostel accommodation for homeless households. The Supporting People programme only funds housing support services; activity that is defined as being social care or housing management is ineligible for funding.
- 2.3 The Council administers the programme on behalf of a partnership which comprises of the Council, Health and Probation. The Supporting People team, which administers the programme on a day to day basis, sits within the Housing Services Division of the Environment and Neighbourhoods Directorate.
- 2.4 The partnership manages the programme through a Commissioning Body. All decisions relating to the management of the programme need to be considered and ratified by the Commissioning Body. All decisions made by the Commissioning Body need to be unanimous and each partner body have equal voting rights.
- 2.5 The Audit Commission Inspection took place between the 8<sup>th</sup> of January and the 12<sup>th</sup> of January 2007. The scope of the inspection related to the capacity of the Council to administer the Supporting People programme rather than the effectiveness of the wider Supporting People Partnership.
- 2.6 The Audit Commission has concluded that Leeds City Council administers a 'fair' one star Supporting People programme which has 'promising prospects' for improvement.

## **3.0 Main Issues**

### **3.1 Strengths of the programme**

- 3.2 Across the programme, the quality of services has increased. At the start of the programme, 355 of the 480 services were operating below the minimum standards expected. At the point of inspection, the Audit Commission identified that there were only 4 services continuing to operate at this level and acknowledged the success the programme has had in improving the quality of services. Work continues to further increase the quality of services provided to vulnerable people.
- 3.3 The Audit Commission concluded that Leeds City Council was achieving increased value for money in relation to the use of Supporting People funding. The Council was able to demonstrate that better quality services were being delivered, from the position at the outset of the programme, and at a reduced cost. This is a significant finding of the inspection as it is at the heart of the programme and what the

partnership is striving to achieve. In the view of the Commissioning Body this fact merited greater weight in the scoring attached to the inspection.

- 3.4 The Audit Commission commended the Council for delivering efficiency savings in excess of £6 million since the commencement of the programme. It was also noted that approximately £4 million of these savings related to services provided by the Council. The savings have been achieved in the context of a reducing budget. The programme grant in 2003/04 was £36.9m and there has been an incremental reduction to £32.9m in 2007/08. Given this reduction in grant, the ability of the Commissioning Body to deliver value for money has been essential.
- 3.5 The Leeds Supporting People Partnership has developed a tier based model of organising service provision which was cited as being an example of good practice by the inspection team. The updated Supporting People Strategy was considered by the Audit Commission to be rooted in a firm evidence base and to have clear aims and actions for programme development.
- 3.6 The recent integration of the Supporting People team into the Strategic Commissioning Group (now Housing Strategy and Commissioning Group) was identified as strength by the Audit Commission as it has facilitated more effective strategic planning, has linked the Supporting People programme with wider housing priorities and has delivered more efficient use of resources.

### **3.7 Areas for improvement**

- 3.8 The Audit Commission identified a number of areas for improvement in relation to the administration of the programme such as the involvement of service users, improvement planning and the need to address gaps in service provision within the city. These are set out in detail in the recommendations below.
- 3.9 However the issue which featured most highly in the inspection and in the Audit Commission's published summary is criticism made of relating to the plans put in place by the Council to withdraw, on an incremental basis, funding for services that were considered to be ineligible or only part eligible for Supporting People grant aid.
- 3.10 The Audit Commission identified that an inconsistent approach had been adopted in relation to the phased withdrawal of ineligible funding to assist people with a learning disability and other services. The Audit Commission concluded that the Council does not have firm information relating to the value of Supporting People grant that is being used to fund ineligible services.
- 3.11 A timetable was agreed with the DCLG to transfer money over a period of time from services ineligible under the Supporting People programme which recognised the vital role the current funding from Supporting People plays in supporting vulnerable people. This is referred to as the retraction plan. The retraction arrangements in place to deal with ineligible spend are due to be completed by the end of 2010/11. The Audit Commission criticised this timetable stating that this would mean that ineligible services were being funded eight years after the commencement of the programme. The Council argued that these arrangements were necessary due to the overall Council budget position and to protect the interests of vulnerable people who used services provided by the Council. However, the Audit Commission cited examples of other authorities where retraction arrangements had been completed over a shorter period and within a context of corporate budgetary deficit.

3.12 The Audit Commission made other criticisms of the programme administration that were linked to the issue of funding ineligible services. A significant number of service providers expressed to the inspection team that they believed a different approach to eligibility and value for money assessments had been applied to external services to that used to assess in-house services. The Audit Commission also concluded that the partnership's capacity to commission new services to address unmet need was affected by the failure to release grant that was funding ineligible services.

#### **4. Audit Commission Recommendations**

##### **Recommendation 1: Address gaps in services**

**Include in plans details of how services will be expanded for:**

- Refugees
- Gypsies and Travellers
- People living with life affecting illnesses such as HIV/Aids and Hepatitis C
- People with substance-related problems
- Disabled people with physical and sensory impairments

**Implementation by August 2007**

##### 4.1. Actions against recommendation

4.1.1 The Supporting People programme has around £1m capacity to commission services to meet these gaps during 2007/08 and beyond. Work has started to identify how these gaps will be addressed through new commissioning from the Supporting People programme. This work is being overseen by the Commissioning Body.

##### **Recommendation 2: Continue to improve service user involvement in the programme by:**

- Ensuring all client groups have clear channels of communication and influence
- Developing the capacity of individuals to make a significant contribution
- Involving service users in meaningful ways
- Setting measurable targets and reviewing the effectiveness of service user involvement annually

**Implementation by August 2007**

##### 4.2. Actions against recommendation

4.2.1 Training has been undertaken with the Service User Reference Group which will build on their capacity to make a contribution to the administration for the programme. For example, a group member will be attending the Core Strategy Group from July 2007 and service users will be involved in future contract validation and competitive tender exercises. An annual review of service user involvement is being developed to run in conjunction with the annual provider survey.

**Recommendation 3: Improve the availability of information on the Supporting People programme by:**

- **Ensuring information leaflets are available, widely distributed across the city and on display**
- **Widening the circulation of newsletters to include councillors, frontline staff, service users and their carers and advocates**
- **Improving the directory of services to present information on services that potential service users will find useful**
- **Improving the council website to provide more information and make it easier for service users to find details of available services**

**Implementation by August 2007**

4.3. Actions against recommendation

- 4.3.1 Work is ongoing to improve the existing service directory and examples of best practice on this and other aspects of provision of information have been sought from programmers assessed to be excellent.
- 4.3.2 Work with the web manager has commenced to ensure that improvements are made to the information available on the internet, including the on-line access to the directory.
- 4.3.3 During the inspection, the mystery shopping exercise demonstrated that while leaflets and posters had been circulated to customer-facing offices across the city, these were not consistently on display. It is intended that the Service User Reference Group will commence an on-going programme of mystery-shopping to improve the availability and publicity of information

**Recommendation 4: Improve improvement planning by:**

- **Establishing a rolling programme of risk-based, strategic sector wide reviews to consider the needs and supply of services across all client groups**
- **Broaden the remit of reviews to include and look beyond housing-related support**
- **Include and join up reviews with relevant partners and other stakeholders**
- **Identify the amount and source of resources needed to deliver planned activity and align closely with plans and strategies**

**Implementation by November 2007 and continue on a rolling programme**

4.4. Actions against recommendation

- 4.4.1 The Core Strategy Group has been commissioned to undertake the strategic sector wide reviews on a rolling programme and to report on progress to the Commissioning Body. These reviews will be risk based and will look beyond housing related support. The reviews will inform the development of other key strategies including the LAA.

**Recommendation 5: Ensure current services are equally subjected to rigorous eligibility and value for money assessments and ineligible funding is released more rapidly by**

- **Jointly review services where eligibility assessments have been estimated**  
**Identify and quantify the extend of ineligibility**
- **Subject these services to value for money assessment**
- **Negotiate changes to the contract and retraction plan**

**Implementation by November 2007 and continue on a rolling programme**

4.5. Actions against recommendation

- 4.5.1 The existing retraction arrangements in place are based on the estimate that in April 2006 there was £5.2m ineligible spend funding learning disability and mental health services and that this ineligible spend would be addressed over a five year period. In order to achieve a precise calculation of the degree of eligibility, individual reviews are required in the services affected. It is clearly important that the correct figure is assessed quickly and clarity on the amount of ineligible spend and proposed timetable for retraction will be available by the end of September 2007.
- 4.5.2 In order to achieve this, a joint team has been established to undertake the necessary review of services. Dedicated resources have been identified from both Adult Social Care and Environments and Neighbourhoods to undertake the work.
- 4.5.3 Additional consideration has to be given to the review of those services which are included within the Independent Living Project. Phase one of the review will concentrate on reviewing these services and reporting to Commissioning Body by August 2007. This review will inform the revenue aspects of the business case currently being prepared by the ILP team.
- 4.5.4 In total 55 services will be reviewed. This includes 29 in-house services provided by Adult Social Care. A total of 12 providers will be affected by this exercise. Whilst the work will be completed as swiftly and efficiently as possible, it should be noted that it remains the concern of both Adult Social Care and the Supporting People partnership that vulnerable people are not put at risk. Additionally, Commissioning Body will be writing to each provider affected in order to not only explain the work being undertaken and the driver for it, but also to reassure providers that there will be no immediate impact on the service as a result of this work.
- 4.5.5 The outcomes for both Supporting People grant and Adult Social Care budgets and accompanying recommendations for retraction arrangements will be reported to both Commissioning Body and Executive Board in October 2007. Corporate Finance will assist in this exercise.
- 4.5.6 It should also be noted that the actions taken to resolve the recommendations around eligibility and retraction of ineligible spend will have implications not only for Adult Social Care but also to the Joint Commissioning Service for people with learning difficulties and therefore the Leeds Primary Care Trust. The PCT are represented on the Supporting People Commissioning Body and are therefore aware of the Audit Commission recommendations.

## **Recommendation 6: Improve governance and delivery arrangements by:**

- **Ensuring wider representation by relevant stakeholders at governance partnerships**
- **Carrying out appropriate training of staff in adult and child protection issues, policies and practice**
- **Taking action to build up the confidence of partners in governance arrangements**
- **Establishing and documenting a protocol to be followed to resolve dispute between partners**
- **Clarifying how councillors can become more engaged with the programme**

**Implementation by November 2007 and continue on a rolling programme**

### 4.6. Actions

- 4.6.1 Governance arrangements have been strengthened following the completion of the inspection. Existing membership of the Commissioning Body has been augmented by the inclusion of a service provider representative albeit in a non-voting capacity. The Core Strategy Group has been strengthened and has representation from all key stakeholders. The governance arrangements are being further strengthened by means of a series of planning and visioning days with both Commissioning Body and Core Strategy Group attendance.
- 4.6.2 Training in child and adult protection is ongoing and all officers within the Supporting People team have undergone CRB checks.
- 4.6.3 Joint work between the partners is ongoing to address the need for a more comprehensive dispute protocol.
- 4.6.4 The council has provided party briefings, cabinet briefings and reports to scrutiny in relation to the Supporting People programme. We will however look at any further measures needed in order to strengthen councillors' engagement with the programme.

## **5. Implications For Council Policy And Governance**

- 5.1 The Improvement Action Plan will be monitored by Audit Commission Relationship Manager and achievements against this recommendation will influence further inspections of the Council. Failure to carry out the recommendations made by the Audit Commission increases the likelihood that the Council will be subject to a further inspection of the Supporting People Programme.
- 5.2 For 2007/08, the council will be required to submit a statement of grant usage at year end. This statement must be ratified by Council Internal Audit and the Commissioning Body and will need to detail the retraction arrangements in place, and to identify all ineligible spend against the timetable of retraction.

## **6 Legal And Resource Implications**

- 6.1 In relations to the recommendations around retraction arrangements there are significant financial implications for the council. The process of jointly reviewing the affected services will have a resource implication for both Adult Social Care and Environment and Neighbourhoods in relation to staff time. The Commissioning Body

will need to consider and ratify the recommendations resulting from the review work in terms of both eligibility, value for money and retraction arrangements. The council will need to agree the appropriate measures to respond to the resulting retraction arrangements in terms of potentially identifying alternative funding to off-set Supporting People grant withdrawal.

- 6.2 The Audit Commission has made explicit service improvement recommendations that they will expect the Council to implement. The Council will also need to consider the views of the external partners within the Supporting People partnership who will be committed to implementing the recommendations.

## **7 Recommendations**

- 7.1 To note the contents of this report and support the actions being undertaken to implement the Audit Commission's recommendations.