



Report of the Director of Environment and Neighbourhoods

Executive Board

Date: June 2008

Subject: Update on the Supporting People Programme

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)

EXECUTIVE SUMMARY

Supporting People is the national programme for commissioning housing related support services for vulnerable people. Services are designed to assist vulnerable people to live independently and to exercise greater choice and control over their lives. The provision of Supporting People services deliver a range of health and social welfare benefits to the city. The Supporting People programme is managed through a Commissioning Body that comprises of representatives from the Council, the Leeds PCT and the West Yorkshire Probation Service.

The Supporting People programme in Leeds was inspected by the Audit Commission in January 2007 and received a fair (one-star) rating with promising prospects for improvement. Significant work has since been carried out to address the service improvement priorities identified by the Audit Commission: notably the revision of the existing retraction plan arrangements for withdrawing ineligible funding to learning disability and mental health services. Revised arrangements have been ratified by the Supporting People Commissioning Body but at the same time the needs of vulnerable people accommodated in the affected services have been safeguarded.

1. Purpose of the Report

- 1.1. To give Executive Board members an update on developments relating to the Supporting People programme since the Audit Commission inspection of the programme in January 2007. A report was submitted to Executive Board in July 2007 setting out the key findings and recommendations made by the Audit Commission.

2. Background

- 2.1. Supporting People is the national programme for funding and commissioning housing related support services for vulnerable adults. The programme funds a wide range of housing related support services from warden services for older people living in sheltered housing schemes to the provision of permanently staffed emergency hostel services for homeless families. Housing related support assists vulnerable people to live independently and to exercise greater choice and control over their lives. The provision of housing related support services generates a wider range of benefits and outcomes to the wider community, such as increased health and well-being, preventing and ending homelessness, greater community cohesion and stability, reduced offending rates and fear of crime. A study commissioned by Central Government in 2004 identified that the provision of Supporting People services generates additional benefit of approximately £1.34 billion to the national exchequer¹.
- 2.2. The Council administers the Supporting People programme in Leeds on behalf of a Commissioning Body that comprises of representatives from the Local Authority, the Leeds PCT and the West Yorkshire Probation Service. The Housing Strategy and Commissioning section, which administers the programme on a day-to-day basis, sits within the Housing Services Division of the Environment and Neighbourhoods Directorate. All decisions taken by the Commissioning Body need to be unanimous and each partner has an equal voting right. Decisions taken by the Commissioning Body are subject to further examination/ratification through the Delegated Decision process - in accordance with Council Contract's Procedure Rules.
- 2.3. The Council will receive a programme grant settlement of £32.9m for 2008/09 from the Communities and Local Government Department (CLG). The value of the settlement has been frozen for the last two financial years and will be maintained at the same value in 2009/2010. The grant settlement will be reduced to £31.9m in 2010/2011. In 2003/04, the first year of the national programme, Leeds received a programme grant settlement of £35.9m. The Supporting People currently assists approximately 12,000 service users to maintain or secure independent living arrangements through the commissioning of 367 services through 65 organisations.
- 2.4. Currently the Supporting People programme can only fund services/activity that is deemed to be housing related support; other activity, such as social care and housing management, cannot be funded through the programme. However, the multi-faceted needs of many service users require different service commissioners to work in close conjunction to deliver effective, complementary and strategically planned services. For example, the Supporting People programme and Adult Social Care jointly commission and fund a number of supported housing services for people with learning disabilities and long term mental health issues.

¹ ODPM: Benefits Realisation of the Supporting People Programme (2004)

2.5. The Supporting People programme in Leeds was subject to an Audit Commission inspection in January 2007. The Audit Commission concluded that the Council was administering a fair (one-star) service with promising prospects for improvement. The Council was commended by the Audit Commission for many aspects of its programme delivery. The Audit Commission acknowledged that the Council was achieving significant value for money in its management of the programme achieving efficiency savings of approximately £6 million between 2003 and 2007. 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. The delivery of continually improving services at a reasonable cost is at the heart of what the Council is trying to achieve as the commissioner of housing related support services.

2.6. The development of a tier based model (where services are categorised as prevention, emergency, resettlement or sustainment) for organising service provision was also identified by the Audit Commission as being an example of innovative practice.

2.7. The Audit Commission however made six key service improvement recommendations:

2.7.1. Review and revise the current retraction arrangements for withdrawing ineligible spend

2.7.2. Address identified gaps in service provision through new commissioning

2.7.3. Improve strategic planning relating to the programme

2.7.4. Continue to improve service user involvement in programme development

2.7.5. Improve the availability of information relating to the programme

2.7.6. Improve governance and delivery arrangements relating to the programme

2.8. Progress made to address these issues will be outlined in the following sections of this report.

2.9. Two performance indicators relating directly to the Supporting People programme are included within the National Indicator set:

2.9.1. NI141 – number of vulnerable people achieving independent living

2.9.2. NI142 – number of vulnerable people who are supported to maintain independent living

2.10. It has been proposed that NI141 will be included within the Leeds Local Area Agreement.

3. Retraction Arrangements

3.1. The key recommendation made by the Audit Commission related to the Council's existing plans to withdraw Supporting People funding for service activity that was deemed to not constitute housing related support and therefore was ineligible under the Supporting People programme grant conditions. These arrangements related to the provision of services for people with learning disabilities and long-term mental

health issues that are jointly commissioned with Adult Social Care. The Adult Social Care Directorate is also the provider of a number of the affected services.

- 3.2. The Audit Commission concluded that the existing arrangements would need to be revised with further work carried out to establish the level of ineligible activity in each service and the process of retracting ineligible funding concluded within a shorter time scale. The Audit Commission recommended that the retraction process should be completed by the end of 2009/2010 – a year earlier than the existing plan.
- 3.3. The Council acknowledged that the points made by the Audit Commission and agreed that the existing retraction arrangements would be reviewed. However, the Council has maintained its long-standing view that the key priority was to safeguard the provision of acute services for extremely vulnerable people. Some of the service users accommodated in the affected services have needs that are so acute that they will be need to be provided with continuous support and care for the remainder of their lives. The notion that such services could be discontinued, through the implementation of revised retraction arrangements, was considered wholly inappropriate by both the Adult Social Care and Environment and Neighbourhoods Directorates. The Directorates were also clear that the implementation of revised retraction arrangements should not result in the cessation of other services for vulnerable people because of the need to divert funding to address issues relating to service eligibility under the Supporting People programme.
- 3.4. The Environment and Neighbourhoods and Adult Social Care Directorates have worked in partnership to develop revised retraction arrangements that found an equitable balance between the need to meet obligations relating to service eligibility and safeguarding services for vulnerable people.
- 3.5. A project team was established, that consisted of officers from the Housing Strategy and Commissioning section and Adult Social Care. Fifty-four services were reviewed where eligibility had been previously estimated. Each review entailed a desktop analysis and onsite validation visit. Services were then assessed against the eligibility criteria and a joint assessment report was written up and agreed by the project team. The assessments, once all completed, were each quality checked for consistency by all project team members.
- 3.6. An emphasis was placed on capturing any improvements in service delivery that had been achieved since the last service review. It was evident that significant changes have been made with a greater emphasis on empowering service users to exercise greater choice and control over their lives. Consequently, the level of ineligible activity was reduced from the £8.1 million, that had been identified on an estimated basis in the original retraction plan, to £3.8 million.
- 3.7. In accordance with the recommendations made by Audit Commission, the Supporting People Commissioning Body agreed to phase the withdrawal of the residual ineligible funding over the two financial years from April 2008. It was agreed that the retraction of funding relating to Adult Social Care managed services would be carried out in 2008/09 (value of £1.7 million) with remaining services being affected in the following year.
- 3.8. It is important to stress that the revised retraction arrangements will not directly impact upon service users in the affected services as alternative funding will be put in place through the Adult Social Care Directorate to maintain the current level of service provision.

3.9. The Housing Strategy and Commissioning section have been working in partnership with the Adult Social Care Directorate to identify opportunities to maximise Supporting People funding from existing commissioned services and contractual capacity. Adult Social Care managed services are generally commissioned on a block subsidy arrangement: the value of payments is based upon the actual level of utilisation rather than a fixed contractual value. Social Service Authorities have an obligation to provide aftercare services for people who have been previously been detained in hospital under the provisions of the 1983 Mental Health Act: Section 117 cases. Historically, Supporting People funding could not be used to pay for the provision of supported housing services for such people and therefore Supporting People income was lost when placements were made in Supporting People commissioned services. However, governmental guidance has recently been amended to enable such supported housing placements to be covered by Supported People funding. Formal reporting arrangements are being established between Adult Social Care and the Housing Strategy and Commissioning section to ensure that such placements will be funded through Supporting People in future.

4. New Commissioning & Gaps in Service Provision

- 4.1. The Audit Commission also indicated that they wanted the Council to demonstrate that it was addressing identified gaps in service provision through new commissioning. It was assumed by the Audit Commission that funding released through the retraction arrangements could be used to fund new commissioning.
- 4.2. The original Supporting People Strategy (published in 2005) identified the need to develop additional housing related support services to better meet the needs of refugees, Gypsies and Travellers, people with life affecting illnesses, people with physical or sensory impairments and people with substance related illnesses.
- 4.3. The Supporting People strategy was updated at the end of 2006 and included new commissioning and funding priorities relating to the development of Offender Management Services and for the Supporting People programme to contribute towards the modernisation of learning disability and mental health services through the Independent Living Project (ILP).
- 4.4. The Supporting People programme is a Council administered function and therefore needs to respond and embrace developments relating to Council identified priorities. Officers from the Housing Strategy and Commissioning section have briefed Commissioning Body members on the need for new commissioning decisions to reflect and respond to the strategic outcomes and improvement priorities set out within the Leeds Strategic Plan and the improvement priorities included within the Leeds Local Area Agreement. Such an approach very much reflects the principle that Local Authorities should have greater discretion to determine local priorities and the action required to fulfill these objectives.
- 4.5. The Leeds Strategic Plan includes a strategic outcome relating to 'Reduced crime and fear of crime through prevention, detection, offender management and changing behaviours'. National research has identified that for every £1 of expenditure on drug treatment programmes a cost benefit of £9.50 is generated in relation to costs associated with crime and health care. The Supporting People Commissioning Body have agreed to commission, in conjunction with the Safer Leeds Partnership, three housing related support services that will be part of the Leeds Integrated Offender Management programme. It is envisaged that the services will work with

approximately 255 service users who require housing related support as part of a wider programme that is designed to reduce offending. This support may well entail assisting service users to secure or maintain existing independent accommodation and gain access to drug treatment programmes. The three services will therefore address the need to commission additional housing related support services for people with drug related issues.

- 4.6. The services will contribute towards the two Supporting People performance indicators within the National Indicator Set and NI30 Reducing Re-Offending Rate of Prolific and Priority Offenders. It is proposed that this indicator and NI141 (Number of vulnerable people helped to achieve independent living) will be included within the Leeds Local Area Agreement. It is calculated that the commissioning of the three housing related support Offender Management Services will cost up to 715k in 2008/09.
- 4.7. The provision of housing related support also plays a key role in assisting older people to continue to live independently in their own home and to exercise choice and control over their lives. This reflects and responds to the strategic outcomes and improvement priorities set out within the Health and Wellbeing theme of the Leeds Strategic Plan and a number of performance indicators within the National Indicator set including NI139: People aged 65 who say that they receive the information, assistance and support needed to exercise choice and control to live independently. The development of the Older People's Housing Strategy and the Disabled People's Housing Strategy has strengthened awareness of the correlation between effective housing related support and improved health and social care outcomes. Research carried out by Leeds Care and Repair (local Home Improvement Agency) has identified that the average cost of hospitalising an older person whilst they have a hip replacement is £47,000. Leeds Care and Repair can carry out minor adaptation work, which can help prevent falls, for approximately £98. The Supporting People programme can fund the adaptation work carried out by Home Improvement Agencies and the Leeds Supporting People Commissioning Body agreed in October 2007 to grant Leeds Care and Repair additional funding of £133,000 to expand their adaptations service and to restart the provision of an Older Person's Housing Options Service which had previously been successful at assisting older people to maintain their current homes but had closed due to the end of charitable funding. It is estimated that Leeds Care and Repair will be able to provide additional housing support services for 400 older households in the city. Given the cost of hospital placements cited above it is reasonable to state that the service could be cost effective if it merely helped prevent three older people from falling and requiring a hip replacement. Leeds Care and Repair has been nationally recognised by Foundation (national coordinating body for Home Improvement Agencies) as the best Home Improvement Agency for 2006.
- 4.8. The Supporting People Commissioning Body also agreed in October 2007 to take over the funding of two services, managed by Community Links and Age Concern, that were designed to assist older people with mental health issues to maintain residence in their own homes or to facilitate a planned discharge from hospital. These schemes had been funded through POPPs (Partnership for Older People Projects) but the funding expired at the end of 2007/08 and the schemes would have needed to have discontinued without alternative funding being secured. The service aims very much reflect the strategic outcomes/improvement priorities relating to promoting independent living and enabling vulnerable older people to exercise choice and control over their lives within the Health and Wellbeing theme of the Leeds

Strategic Plan. The cost of the two services to the Leeds Supporting People programme is 355k.

- 4.9. Given the link between older age and increased likelihood of experiencing some form of life affecting illnesses, the funding of the services cited in paragraphs 3.17 and 3.18 in part cover the need to develop housing support services for people with some form of physical or sensory disability.
- 4.10. In October 2007 the Supporting People Commissioning Body agreed to commission an additional 60 units of housing support for refugees affected by the Case Resolution programme. The number of additional units commissioned reflected the volume of households who were having their asylum decision processed through the Case Resolution programme and who would require housing related support once they were asked to leave the accommodation secured for them as asylum seekers. The timescales involved in responding to this service need were such that the Commissioning Body agreed to vary the existing contracts held by three organisations who already provided supported housing services for refugees. The Case Resolution programme represented a significant challenge to the Council not least in terms of ensuring that affected households were assisted to secure suitable temporary accommodation and to identify longer term housing options. The development of the enhanced services is indicative of the Council's capacity, as a service commissioner, and of service providers to respond to changing service need as required. The cost of the enhanced services is 220k and the arrangements with the three providers will be in place until at least November 2008. It is assumed that the enhanced services will be required on a long term basis and consideration is being made to how such services should be contracted post November 2008.
- 4.11. The Housing Strategy and Commissioning section strongly supports the proposals to modernise supported housing support services for people with learning disabilities and long term mental health issues through the Independent Living Project. The ultimate project aim of enabling service users, who have historically been placed in out-moded hostel style services, to live independently or in smaller shared settings very much reflects the Supporting People programme objectives around promoting independent living and enabling vulnerable people to exercise greater choice and control over their lives. The Supporting People Commissioning Body have demonstrated this commitment by agreeing to give additional funding on an incremental basis, rising to 760k by 2010/11, to finance the planned modernisation of services. Discussions are also taking place between the Housing Strategy and Commissioning section and Adult Social Care regarding the feasibility of revising the current contractual arrangements, from block subsidy to block gross or fixed capacity block subsidy contracts. This will give the Adult Social Care Directorate greater assurance in relation to guaranteed service income and will facilitate timely service user move-on.
- 4.12. The Housing Strategy and Commissioning section believe that the service quality improvements achieved over the five years of the Supporting People programme can only be maintained and augmented if service providers have the resources to manage services effectively. The capacity of the Council to award an annual inflationary uplift is a key issue for service providers. The freeze in the value of programme grant settlement has made this more challenging but the Housing Strategy and Commissioning section believe that it is significant achievement of the Leeds Supporting People Partnership that all service providers have been awarded an inflationary uplift of 2.4% on contract value in 2007/08 and 2008/09. The cost of making the inflationary uplift is 756k in 2008/09.

4.13. The Housing Strategy and Commissioning section have scoped and costed the development of housing related support services to better meet the needs of Gypsies and Travellers, people with life affecting illnesses, people with alcohol dependency issues and people with physical and sensory impairments at 628k. The Housing Strategy and Commissioning section is currently examining existing block subsidy contracts to identify where there has been long term under utilisation against contractual capacity: the Council commits a specific value of funding for a contract but the level of service utilisation/eligibility is such that a significantly lower level of funding is actually paid to the provider. The Housing Strategy and Commissioning section have identified that were specific contracts varied to better reflect actual utilisation up to 630k could be released that could be potentially used to commission new services relating to the three client groups. The Supporting People Commissioning have agreed to this proposal and asked the Housing Strategy and Commissioning section to carry out the requisite work to vary the relevant contracts and release the funding to address the remaining service gaps identified by the Audit Commission. .

5. Strategic Planning

5.1. The Housing Strategy and Commissioning section have developed arrangements relating to contract management practice since the Audit Commission inspection. Each Council contract officer is required to report performance against key performance indicators and service improvement priorities on a quarterly basis to Housing Strategy and Commissioning management for each service within their contract portfolio – Quality Performance Review (QPR). This gives an opportunity to develop clear plans for how service providers can demonstrate improvements in service quality. One recent example of how the enhanced contract management practice has facilitated improvements in service quality is a commissioned refuge service where performance against NI141 (vulnerable people assisted to secure independent living) has improved from 57% in Quarter 1 2007/08 to 80% in Quarter 4. Overall performance against NI141 has improved from 54.5% in Quarter 1 2007/08 to 63.4% in Quarter 4. A stretch target of attaining a minimum performance of 76% in 2010/11 has been provisionally agreed with the Regional Government Office were the indicator to be included within the Leeds Local Area Agreement.

5.2. The strategic planning process relating to the delivery of the Supporting People programme has been strengthened. Management of the Supporting People programme now sits within the Housing Strategy and Commissioning section which has responsibility for the development of all housing related strategies that the Housing Services Division are responsible for. This has given greater opportunity to ensure that the needs of vulnerable people are given significant priority within strategic development and concomitant action planning. The Housing Strategy and Commissioning section have overseen the development of the Disabled People's Housing Strategy and the update of the Older People's Housing Strategy Action Plan since the Audit Commission inspection. This work has informed the prioritisation of new service commissioning which has been evidenced through the additional funding given to Leeds Care and Repair and the two POPPs services. The Housing Strategy and Commissioning section has also strived to integrate its strategic planning work into wider strategic planning processes. This is evidenced through the links made between new service commissioning and the Leeds Strategic Plan, the National Indicator Set and the Leeds Local Area Agreement.

5.3. Service User Involvement/Information

5.4. The Housing Strategy and Commissioning section have worked to build on the quality of service user involvement within the Supporting People programme. Representatives from the Leeds Supporting People Service User Reference Group (SURG) are now invited to the Core Strategy Group – a multi-agency group that is responsible for overseeing the development and delivery of the Supporting People strategy. Service users will also be heavily involved in the competitive tendering work (proposed that nine services will be subject to tender in 2008/09) that will be carried out this year. Service users are also heavily involved in improvement work that is being carried out on the availability of customer information sources: this includes the re-design of the on-line service directory and the mystery shopping exercises to test the effectiveness of service provision from a customer perspective.

6. Governance Arrangements

6.1. Membership of the Core Strategy Group has been augmented with representation from the Leeds ALMOs, Safer Leeds, Youth Offending service, Children's Services and Jobs and Skills. Members of the Core Strategy Group also now sit in an observatory capacity at Commissioning Body. These representatives are charged with creating more effective links between the Supporting People Provider Forum, Core Strategy Group and the Commissioning Body.

7. Proposed CLG Changes to the Supporting People Programme

7.1. The CLG propose to give Local Authorities greater flexibility in how they commission and contract manage housing related support services, and the use of Supporting People programme grant. The CLG is considering the option of removing the ring-fence that is attached to the use of Supporting People funding and paying grant through the Area Based Grant route. Essentially, this could mean that Local Authorities would not be restricted in using Supporting People programme grant solely for the purpose of commissioning housing related support services. The CLG are testing the effectiveness of these proposals in 2008/09 through 15 pathfinder authorities where the ring-fence attached to the use of grant has been removed and is being paid through the Area Based Grant route. The proposals reflect the wider governmental agenda around granting Local Authorities greater discretion in setting and delivering against local priorities.

7.2. The proposals may also better enable Local Authorities to commission more holistic services that better reflect the needs of vulnerable people. An example of this could be the commissioning of services for children who live with their parent in a women's refuge. The Supporting People programme has been able to commission the general refuge service but restrictions on using Supporting People grant has meant that concomitant services for vulnerable children could not be commissioned through the programme.

7.3. The proposals set out by the CLG have provoked some degree of concern from supported housing providers who have believe that there is a possibility that funding will be diverted to meet other local priorities. The Housing Strategy and Commissioning section have tried to allay these concerns by highlighting the significant role that the provision of housing related support services will play in meeting a range of local and national priorities. The Health and Wellbeing theme of the Leeds Strategic Plan includes strategic outcomes and improvement priorities relating to promoting the capacity of vulnerable people to live independently and to exercise greater choice and control over their lives. These are core objectives of the

Supporting People programme. The Thriving Places theme includes strategic outcomes and improvement priorities relating to reducing the incidence of crime and homelessness – the provision of housing related support will play a key role in the delivery of these outcomes/priorities. The two Supporting People performance indicators are included within the National Indicator set and therefore the Council's approach to the Supporting People programme will be monitored through the Comprehensive Area Assessment. Furthermore, the proposed inclusion of NI141 within the Leeds Local Area Agreement demonstrates the Council's commitment to maintaining supported housing services for vulnerable people.

7.4. The Council will monitor the experience and findings of the 15 pathfinder authorities and await the decision of the CLG in relation to future grant arrangements. It is recommended that the Environment and Neighbourhoods Directorate should report to Executive Board proposals for any changes to current governance and funding arrangements, relating to the Supporting People programme, once the CLG confirm what changes they intend to make to the delivery of the programme.

8. Implications for Council Policy and Governance

8.1. All Supporting People administering Local Authorities are currently obliged to submit an annual statement of grant usage to the CLG. The statement will need to be ratified by the Council's Internal Audit section and the Supporting People Commissioning Body prior to submission. The statement will need to include details of the value of ineligible funding in 2007/08 and the proposals relating to retracting ineligible funding, as they currently stand, in the forthcoming financial years.

8.2. The proposals set out in Section 7 will have implications for Council policy and governance. If the proposals are implemented then there will be no obligation on the part of the Council to manage the Supporting People programme through a distinct Supporting People Commissioning Body that includes partners from external bodies. It is envisaged that greater clarity will be provided on this issue once the pathfinder authorities have reported to the CLG. Discussions on the future governance arrangements will be held between the Council and its key partners. All commissioning decisions will still need to be made in accordance with the Council's Contract's Procedure Rules.

9. Legal and Resource Implications

9.1. The revision to the original retraction plan arrangements represented a significant risk to the Council's budgetary position and its capacity to continue to deliver acute services to some of the most vulnerable people in the city. The revised retraction arrangements have achieved a balance between adhering to current Supporting People grant conditions whilst safeguarding the provision of services for vulnerable people. The joint work approach that this achievement entailed between the Adult Social Care and Environment and Neighbourhoods Directorate is continuing to identify opportunities to maximise Adult Social Care income from existing contractual commitment. This approach is distinct from the award of additional contracts or contract value and therefore complies with Council Contract's Procedure Rules.

9.2. If the proposals set out in Section 7 are implemented then clarification will be sought from the CLG as to whether the obligation to withdraw funding under the retraction plan arrangements will be rescinded from April 2009.

10. Conclusion

- 10.1. The Council has made significant progress in implementing the service improvement recommendations made by the Audit Commission following the inspection of the Supporting People programme in January 2007. The Council has established revised retraction arrangements and has committed funding to commissioning a range of services to respond to unmet need for housing related support in the city.
- 10.2. The Supporting People programme is responding to the developing national and local policy agenda. All commissioning decisions made by the Supporting People Commissioning Body are made with a view to contributing towards the delivery of the Leeds Strategic Plan and maximising performance against targets set out within the National Indicator set and the Leeds Local Area Agreement.
- 10.3. The CLG are proposing to introduce significant changes to the way the Supporting People programme is managed and funded from April 2009 onwards. The experience and findings of the 15 pathfinders authorities will be closely monitored.

11. Recommendation

- 11.1. To note the contents of this report.
- 11.2. The Environment and Neighbourhoods Directorate should report to Executive Board proposals for any changes to current governance and funding arrangements relating to the Supporting People programme once the CLG confirm what changes they intend to make to the delivery of the programme.